

SUMMIT COUNTY RESTAURANT TAX ADVISORY COMMITTEE

2012 Grant Request Rankings With Rationale & Restrictions

The Committee, in its 21th year, reviewed and updated the grant application for 2012 to give applicants the chance to include specific information on the anticipated tourism impact and ROI to Summit County from their application. After extensive review of the applications, including a presentation and Q&A with each applicant, the Committee ranked the applications based on five criteria: tourism components, the ability to leverage, potential to increase the 1% restaurant tax, whether the application is promotion or an asset and whether the application is a new or developing program.

There are varying degrees of tourism components included in these applications. The Committee continued to concentrate this year on the applicant's ability to augment the Restaurant Tax Fund by attracting day and overnight visitors, particularly from outside of Summit County. Some of the applications are for promotion with the sole purpose of bringing visitors to the County. In other cases, the application is for an event, service or facility that will enhance the experience of guests who are planning to visit the area. The Committee recognizes and agrees that some local events and facilities, while not directly driving overnight visitation, provide opportunities for guests to enjoy their stay in Summit County, and enhance the perception of the County as a desirable vacation destination.

The Committee has made specific recommendations and restrictions for use of the \$1,673,759 available funds in 2012. Specific restrictions for use of the funding are noted after each application's rationale. The Committee has endeavored to weigh and take into consideration all relevant information at its disposal in the formation of the recommendations.

The County Manager's office continues to be very helpful in their follow-up of grants from previous years. In an effort to encourage better compliance with the reporting requirement for past grants, language was added to the application and contract in 2011 outlining possible ramifications for non-compliance. The Committee determined that three applicants in 2012 did not comply with reporting on previous grants, and their recommended funding was decreased by 5% in each case. A *comments* section is included with each of the affected applications outlining this action.

The following are the Committee's detailed recommendations. The applications are listed in alphabetical order.

Committee Application #	Original Request	Recommended Amount
----------------------------	---------------------	-----------------------

1201 Adopt a Native Elder--Promotions	\$ 5,000	\$ 3,000
--	-----------------	-----------------

RATIONALE: This is truly a unique event that the SC Restaurant Tax committee has funded for several years. This will be the 23rd year for this event. This request is for funding advertising outside of Summit County. This event takes place the first part of November when there typically are not a lot of activities going on. They report that over 3,000 people have attended this show, 75% are estimated to be from outside of Summit County. This is considered the premier rug show in the west. They do multi-marketing to promote this show. They have changed the marketing/print advertising, only using two national publications; the main publication with the best response is *Cowboys and Indians* magazine. With this event, they also offer school/educational programs. They estimate 129 room nights last year in host hotels, up from about 50 in previous years.

RESTRICTIONS: Funding may only be used for advertising in national magazines, Wasatch Front radio, and/or out of Summit County newspapers. Materials and information shall continue to have "Park City" labeled prominently on them. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$ 3000; 2008: \$3000; 2009: \$3000; 2010: \$3000; 2011: \$3000

1202 Axis Freeride - Promotion **\$ 2,100** **\$ 1,100**
RATIONALE: This funding request is for a brochure to promote the summer youth camps and to purchase mailing lists for a targeted group of potential visitors. The brochure will be used for marketing the camps and other daily programs at the UOP. They have about 165 camp spots available. People can enter into day camps or week long camps. Most participants come with their families and many in the group extend their stays past the camp dates. Organizers expect approximately 360 visitors plus families.
RESTRICTIONS: The committee has targeted the monies granted to go toward the buying of the USSA mailing list and USASA mailing list. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.
PREVIOUS FUNDING: 2008: \$2000; 2011: \$1500

1203 Cluff Ward Project **\$ 3,550** **\$ -0-**
RATIONALE: This funding request is for an old fashioned community picnic and bazaar to raise public awareness of the Cluff Ward restoration project. The requested funds will be used to finance the advertising, food and entertainment for this event.
RESTRICTIONS: With direction from the County Attorney's office, the committee felt that funding could not be granted until non-profit status is finalized and the title to the building and associated land are held by the non-profit group. The applicants are urged to apply for funds in a future year after the legal issues are resolved.
PREVIOUS FUNDING: First application.

1204 City of Coalville – BBQ Bash **\$50,000** **\$35,000**
RATIONALE: Coalville had previously applied with a similar application under the Mountain Spirit Heritage Festival. This year, Coalville City will partner with the Kansas City BBQ association and they hope to make this a yearly event. There will be 50 competitors, their families, and judges. Competitors will be staying in the community for four days. Half the entry fee goes back to the event. They are requesting seed money to help get this "new" event off the ground. The committee believes that adding the sanctioned Kansas City Barbeque competition to this event will greatly enhance the events ability to draw destination visitors. This event will be held at Camper World, open to the public for a full day of entertainment ending with a free concert. There will also be vendors offering food and beverage. They have funding coming from sponsors and other areas. Coalville City will be the primary vendor at this event enabling them to generate revenue supporting the event.
RESTRICTIONS: Funding may be used for the Whiskey Ranch BBQ Events promoter, prize money, advertisements targeted outside-of-Summit County, and event entertainment / bands. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.
PREVIOUS FUNDING: 2007: \$2,000; 2008: \$3,000 as the Mountain Spirit Festival; 2009: \$4,000; 2010: \$8,000; no funding in 2011

1205 City of Coalville – Supercruise - Promotion **\$ 20,000** **\$ 5,000**
RATIONALE: The Coalville Supercruise will celebrate its 24th year in 2012. This application is for newspaper and radio advertising in SLC, Wyoming & Ogden, live music, awards and fireworks. In past years, the event included over 200 cars which brought in many visitors and vendors from out of the area. Organizers estimate over 3000 visitors attend this show.
RESTRICTIONS: Funding may only be used for advertising targeted outside of Summit County, fireworks, band and awards. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.
PREVIOUS FUNDING: Did not apply in 2009; 2010: \$10,000; 2011: \$8,000

1206 Historic Park City Alliance - promotion **\$ 39,000** **\$ 35,000**
RATIONALE: This application is requesting funding for four areas: (1) Retainer of a Park City based public relations firm to promote media exposure; (2) Printing and distribution of 75,000 brochures at high traffic visitor information centers on I-15 and I-80 in Utah, Idaho and Wyoming; (3) A Clear Channel radio campaign targeting summer and Christmas periods. The radio stations will receive gift cards which are then redeemable at HPCA businesses as a portion of payment for the advertising; (4) Website

enhancements including updated blogs, calendar of events, special business offers and use of social media. Historic Park City is promoted as a destination for visitors interested in the unique offerings of Main Street from its shopping, dining and galleries. This organization represents all of the businesses in the Historic district.

RESTRICTIONS: Funds shall be used for: (1) Retainer of a Park City based public relations firm to promote media exposure; (2) Printing and distribution of brochures at high traffic visitor information centers on I-15 and I-80 in Utah, Idaho and Wyoming; (3) A Clear Channel radio campaign; and, (4) Website enhancements The committee would like to see tracking of redeemed gift cards to measure the return on the gift card program. The committee recommends that your website incorporate links to and from the PC Chamber (visitparkcity.com) and PC Summit County Arts Council (pcscarts.org) websites to cross promote and unify marketing efforts. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2009: \$5,000; 2010: \$20,500; 2011: \$35,000

1207 Kimball Art Center - Promotion \$ 45,000 \$ 40,000

RATIONALE: The Park City Art Festival is one of the largest events of the summer, celebrating its 43rd year. In 2011, this event brought an estimated 55,000 visitors to Park City; eighty-five percent are from outside of Summit County. The KAC is working to be one of the top 3 art festivals in the Country. They continue to step up the culinary portion of the Festival, working with the restaurants to be more of a well rounded event and draw in more culinary tourism. This year, they are partnering with the PC Restaurant Association. They are also working with the Park City Performing Arts Foundation, and lodging partners to help keep visitors in Park City for evening events throughout the weekend. One portion of their promotion is with Coke to have bottled hang tag advertisements throughout the Wasatch Front as well as Coke truck wraps advertising the event. They continue to work with lodging partners to make it more of an overnight event and show progress in recent years by growing the occupancy rate to 54% in Park City over these dates. Research indicates an \$18 million economic impact for this event.

RESTRICTIONS: Funding may only be used for public relations and media campaigns outside Summit County as outlined in the application. The committee encourages the focus on marketing towards Arts Festival attendees per the application in Southern Utah, California, and other outside of Utah residents. Continued monitoring of event attendees is supported by the committee as it helps demonstrate a positive ROI for grant monies provided. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$20,000; 2008: \$20,000; 2009: \$30,000; 2010: \$ 30,000; 2011: \$38,500

1208 Kimball Junction Business Association – Promotion \$ 7,099 \$ 3,500

RATIONALE: The Kimball Junction Business Association wants to create a map of the businesses available in the Kimball Junction area. The existing Chamber map has an insert for Kimball Junction that is very limited. This project will target the visitor attempting to increase their spending, especially at area restaurants, while in the Kimball Junction area. This map will reference KimballJunction.org where Hot Deals will be made available.

RESTRICTIONS: Funding will be limited to a 50%-matching grant of up to \$3500, toward a *completed* project. Restaurant tax funding will become available only after \$3,500 has been raised and demonstrated to the county along with a completely designed and purchased map. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application.

1209 KCPW – promotion \$ 7,500 \$ 3,500

RATIONALE: This is a Pilot Event for a community cycling festival held in conjunction with the Tour de Park City bike race. The festival will feature all genres of biking and will offer rides for all ages and abilities plus educational clinics. They would like to bring the community and visitors into Park City showcasing the many attractive biking options in the Summit County. This will be a one day event held at the Yard with anticipated growth to a multiple day event in following years. The event will be promoted outside of Park City via print media. Local restaurants will donate food, and KCPW will be generating revenue from selling the donated food and beverages.

RESTRICTIONS: The Committee is not convinced that the event as proposed this year will drive outside visitors. This grant is seed money in hopes that the event will be successful and will draw visitors from outside Summit County in the future. Funds are to be used for marketing in Cycling Utah, Utah Cycling

Association Calendar, Utah Outdoors, Utah Adventure Journal, Sports Guide and outdoor enthusiast publications and shall only be used for advertising outside Summit County. Funding cannot be used to purchase advertising in The Park Record. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application.

1210 Living Matrix Education- promotion \$ 25,000 \$ 5,000

RATIONALE: This application requests funding for advertising and costumes for a "Mountain Man Rendezvous" with reenactments, displays and activities, similar to the Ft. Bridger Rendezvous. This application is sponsored by Another Way Montessori School. The event is scheduled for September 6-8, 2012.

RESTRICTIONS: Funds for this new event may be used for print and web based advertising outside of Summit County. Funding is CONTINGENT upon the event obtaining the proper permits for the event from Summit County and other agencies as required by law. Funding shall not be released until evidence of permit(s) is provided to the County. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application.

1211 Mountain Town Music - Promotion \$ 57,000 \$ 19,000

RATIONALE: This is the 12th year of funding for the group that is programming music in Park City, Deer Valley and Canyons. Music is a key compliment to the other offerings in the county. This program has continued to expand. While the destination guest draw is limited, the organization provides a significant amenity to visitors offering over 241 free shows throughout the year. Their survey suggests that 45% of the guests are from out of town. In reviewing all of the applications, there seemed to be a lot of overlap with this application. It appears that several organizations help fund these same events.

RESTRICTIONS: Funding may only be used for the marketing and performances of the Sun, Scenery & Sound portion of the application, EXCLUDING the Promontory performances. Funding may not be used to promote performances inside specific restaurants, gated communities, or private homes. The committee recommends that your website incorporate links to and from the PC Chamber (visitparkcity.com) and PC Summit County Arts Council (pcscarts.org) websites to cross promote and unify marketing efforts. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$15,000; 2008: \$20,000; 2009: \$20,000; 2010: \$25,000; 2011: \$25,000

COMMENTS: Due to the inability of the applicant to provide adequate accounting backup by the required due date on a previous grant, the recommended 2012 grant amount has been reduced by 5% per the terms of the contract with the County.

1212 Mountain Trails Foundation – application withdrawn

1213 North Summit Recreation \$ 400,000 \$ 150,000

RATIONALE: The North Summit Recreation Special Services District is requesting funding to help fund a recreation facility/community center. This funding is being requested for general funding not a specific part of the project. They plan to offer the facility and marketing to special events that would drive destination visitors. Currently, the North Summit area does not have a public facility. The committee is hopeful that this facility will become the nucleus for an indoor/outdoor complex that will be able to hold destination events that will bring incremental economic activity to the Coalville area.

RESTRICTIONS: Funding may be used for site work and development of athletic fields as outlined in the application, however the funding is CONTINGENT upon the passing of the bond initiative and the execution of the land purchase. Funding shall not be released by the County until the applicant can demonstrate that the bond has passed and the purchase of the land by the North Summit Recreation entity has been recorded at the County. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application

1214 Oakley City – Car Show**\$ 8,000****\$ 2,000**

RATIONALE: Last year was the seventh year of the show and they had over 300 cars. This show is in September, during the shoulder season. They are requesting funding for advertising outside of Summit County, including newspapers in Salt Lake City and Wyoming as well as mailers to car clubs outside the County. Flyers and sample trophies are used as marketing advertising at Car Shows that they attend throughout the summer prior to the event. They work with lodging properties for special offers for attendees.

The money raised from this show is donated to various non-profit organizations. In 2011, a \$9,000 donation was split between the Justice Center and the Peace House. The committee suggests that this organization set up an account and use part of their proceeds for future advertising money.

RESTRICTIONS: Funding may only can be used for advertising outside of Summit County, awards, T-shirts, posters or show flyers to be used for promotion at other car shows. The committee suggests that the applicant, with specific knowledge of the event, complete the accounting report for the county rather than relying upon Oakley City to produce this report. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2010: \$2,000; 2011: \$2,500

1215 Oakley City- 4th of July Rodeo - Advertising**\$ 12,000****\$ 10,000**

RATIONALE: This request is to help fund the marketing of the Oakley 4th of July celebration. This year it will be a four day event and continues to draw people from all over the Wasatch Front as well as out of state visitors. The marketing plan includes advertising on Coke trucks, ads on liter bottle Coke neck hanger tags and spots with Comcast in the Salt Lake City market. This application is to fund some of the Comcast costs. Oakley is working with properties in Park City to develop a “STAY and PLAY” program that will include a rodeo ticket.

RESTRICTIONS: Funding may only be used for marketing outside of Summit County. The committee would like to see a better tracking system for the rodeo attendee’s which would include, where the visitors are from, where they are staying in Summit County and how long they are staying. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2008: \$2,500. 2009: \$5000. 2010: \$4000. 2011: \$4000

1216 PC Ambassadors - Promotion**\$ 10,000****\$ 6,000**

RATIONALE: This applicant is requesting funding for entertainment during the 4th of July parade in Park City that would help enhance the parade and music offerings in the City Park. The 4th of July parade brings in an estimated 10,000+ out of town visitors to Park City; many for the holiday week. The parade has grown to include a minimum of 70 floats and other entertaining entries. The community celebration at the City Park includes 4 bands running from noon to 4 p.m. with food and games for all ages. The Ambassadors are asking for funding for live entertainment and bands during and after the parade.

RESTRICTIONS: Funding may only be used for bands in the parade, live entertainment on Main Street after the parade and for the live entertainment/bands in City Park. Funding cannot be used for miscellaneous supplies or expenses.

Comments I an effort to increase incremental visitor spending in the area, the committee encourages the PC Ambassadors to find ways that will encourage people to stay on Main Street after the parade or go back to Main Street after the festivities in the Park. Possible methods could include hosting more live music on Main Street, or exploring possible partnerships with other events that could keep the visitors in the area. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$3,620; 2008: \$5,500; 2009: \$6,000; 2010: \$7,000; 2011: \$6,000

1217 Park City Lodging Assoc- International FAM**\$ 30,100****\$ 27,000**

RATIONALE: This is the sixth year of funding for this application. In conjunction with the PC Chamber, the Lodging Association will bring international wholesalers to Park City to showcase the winter product and to demonstrate the accessibility from the Salt Lake City Airport to Park City. International business and oversees visitation to Park City is growing. This program will give top international wholesalers the opportunity to experience Park City and offer them first-hand knowledge that they can share with their clients, which will then translate into increased international business. International visits to Park City continue to increase this year by 30% over 2011.

RESTRICTIONS: Funding may be used for entertainment expenses, welcome gifts and transportation for the FAM attendees as outlined in the application. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2008: \$39,000 (they only used \$13,000 of the \$39,000 granted in 2008); \$26,000 balance of the 2008 grant was re-granted in 2009; 2010: \$33,960; 2011 \$40,000

1218 Park City Lodging Assoc- Biking Promotion \$170,468 \$145,000

RATIONALE: This application is for marketing biking in Park City to destination visitors. Park City received the first ever Gold Level designation by the International Mountain Biking Association (IMBA). The promotion is a two year program. The first year includes 5 FAM tours to journalists and writers for biking magazines to experience our mountain trails and all aspects of a Park City/Summit County vacation. The Association has developed an all-area mountain bike pass in conjunction with the three resorts to assist with their promotion. The second year will follow-up to consumers with targeted mailings and email blasts plus print ads in select magazines to promote PC as a world class mountain biking vacation choice. These funds will be used for summers of 2012 & 2013.

RESTRICTIONS: Funding may be used for FAM tours and marketing outside Summit County as outlined in the application. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application

1219 PC Chamber Music Society – Promotion \$ 20,000 \$ 9,500

RATIONALE: This application is for marketing two events: the Chamber Music Festival and the Film Music Festival. This is the 28th year for the Chamber Music Festival. They are offering 16 performances during the summer throughout Park City area. The Park City Film Music Festival draws visitors and participants from throughout Utah and around the world to attend the 10 day event in late spring. This year they are including a “dine around” program that will be available to patrons who attend the Music Film Festival. The Music Film festival has moved dates from during Sundance to new dates in May; showing 200 films this year. Film makers are coming from all over the world for this event. They distributed complimentary tickets for the event during the Sundance Film Festival hoping film goers will want to return for this event. The committee feels that this is a great time of year for this type of event.

RESTRICTIONS: The committee is pleased with the joint marketing effort of the PC Chamber Music Society and the Governor’s Office of Economic Development marketing co-op. Funding may be used to advertise and market outside of Summit County using social media, radio and television as outlined in the application. The committee recommends that your website incorporate links to and from the PC Chamber (visitparkcity.com) and PC Summit County Arts Council (pcscarts.org) websites to cross promote and unify marketing efforts. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$ 6,000 for four separate applications. 2008: They did not apply. 2009: \$5000; 2010: \$15,000; 2011: \$7,500.

COMMENTS: Due to the inability of the applicant to provide adequate accounting backup by the required due date on a previous grant, the recommended 2012 grant amount has been reduced by 5% per the terms of the contract with the County.

1220 PC Chamber/Bureau – Fast Pitch World Series \$ 17,500 \$ 17,500

RATIONALE: This is the eleventh year for this event. Triple Crown Fast Pitch World Series consists of approximately 174 teams from across the United States. The tournament games are played on 15 fields throughout Summit County. Due to lower attendance at the 2011 event, the number of games played outside the Park City area was reduced. The Park City Chamber/Bureau has tracked this event and reports that during this time period, Park City experiences the highest summer lodging tallies ever reported. They reported a \$7.2 million positive economic impact from this event.

RESTRICTIONS: Funding may be used for marketing to teams outside of Summit County. Funding cannot be used to reimburse travel expenses.

Comments: The committee feels that this event has the unique ability to have a positive economic impact throughout the entire County. The Summit County Restaurant Tax Fund has been used to fund upgrades of fields in many areas of the County specifically for this event/application. Therefore, the committee strongly encourages that, the event continue to use of fields throughout the County when possible.

Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$49,375; 2008: \$50,626; 2009: \$37,500; 2010: \$37,000; 2011: \$37,000

1221 PC Chamber/Bureau – Tour of Utah \$ 29,925 \$ 25,000

RATIONALE: Tour of Utah is a six day professional biking event held the first week of August. Events are scheduled for several locations in the state, with Park City hosting the final two events to be held on Saturday and Sunday. This event includes international cycling teams who will compete in the Tour de France, plus team support crews, media and spectators. Organizers anticipate 15,000-20,000 spectators based upon previous year's attendance. The start line for Saturday's stage is at Newpark Town Center. The final stage on Sunday begins near the Kimball Art Center, and travels through eastern Summit County ending on Park City's Historic Main Street. Fox Network will broadcast two hours of live coverage of each stage, and there will be adjunct national coverage. Funding is requested for promotion of this event via TV broadcasts in six markets within driving range of Park City plus online advertising.

RESTRICTIONS: Funding may be used for purchase of television and online advertising as outlined in the application. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2011: \$25,000

1222 PC Chamber/Bureau – Targeted TV Promotion \$ 250,000 \$ 250,000

RATIONALE: This is the ninth year for the funding of this promotion. The goal of this program is to heighten awareness of Park City and to develop more incremental, first-time overnight visitations. The Chamber is proposing to have 3 TV marketing campaigns in the LA, New York and Chicago markets plus a National Cable buy. This is the first time for a National Cable buy targeting skiers across the US. The Chamber will track redemptions of Quick Start lift tickets from each of the markets to assess the effectiveness of the campaign. The Chamber has also requested funding from the Utah Travel Council and Salt Lake Airport Authority for this promotion.

RESTRICTIONS: Funding may only be used for television marketing as outlined in the application in conjunction with other funding sources. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$230,000; 2008: \$250,000; 2009: \$250,000; 2010: \$250,000; 2011: \$250,000

1223 PC Chamber/Bureau – Visitors Center \$ 73,005.15 \$ 60,000

RATIONALE: This application is for technology, including wall projection and interactive kiosks to enhance the guest experience at the new Chamber Visitor's Center. The addition of high quality image projection throughout the center will foster more awareness of the diverse activities, recreation and entertainment available in Summit County. This information will foster additional tourism spending, and a longer length of stay in the county. It is anticipated that the five vendor wall monitors will offer advertising opportunities for Chamber members to provide a source of revenue for the Center.

RESTRICTIONS: Funding may only be used for the purchase of the equipment outlined in the application. Funding may not be used for, labor or installation. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application

1224 Park City Film Series - Promotion \$ 36,300 \$ 20,000

RATIONALE: The Restaurant Tax Committee has funded this event for several years. Though it can be argued that the film series does correlate to dining, it is difficult to come up with definite numbers as to the impact of this program to out of town visitors. However, the committee feels that it is a great community amenity and some visitors from Wasatch County and Salt Lake do visit Park City because this program is available. They are going to continue to offer the "Eat, Sleep & Screen" package and advertise this program along the Wasatch Front. They average 29% outside of Summit County attendees. They are also asking for funding for seed money to purchase new projection equipment.

RESTRICTIONS: The \$20,000 is to be divided as follows, \$10,000 for the Eat, Sleep & Screen program, which is to be used for out of Summit County marketing efforts. These efforts include Salt Lake Tribune advertising, Salt Lake City Weekly, and the Wasatch Wave advertising. The committee would also like to

target \$10,000 of this grant request as a matching grant toward the new projector costs and extend the timeline for this phase of the project to 60 months, which will allow the Film Series the needed time to raise the additional funding needed. The total cost of this equipment is \$100,000.00. The committee feels the monies granted can be used as leverage to get matching funds toward the total purchase price. The \$10,000 matching Grant portion can be released by the County if the matching funds needed to purchase the projector are received by Park City Film Series. The committee recommends that your website incorporate links to and from the PC Chamber (pcinfo.com) and PC Summit County Arts Council (pcscarts.org) websites to cross promote and unify marketing efforts. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$2000; 2008: \$3000; 2009: \$7000; 2010: \$10,500; 2011: \$12,000

1225 PC Gallery Association

\$ 6,000

\$ 5,000

RATIONALE: This application requests funding to promote the Friday night gallery stroll on Park City Main Street which is held on the last Friday of each month. The attendance at this event has been 75% from outside Summit County. The PCGA is dedicated to promoting the visual arts in Park City and to expanding the reputations of Park City and Summit County as an art/cultural destination city in Utah.

RESTRICTIONS: Funding may only be used for advertising outside of Summit County in *Western Art and Architecture*, the *SLC Tribune*, Google, Facebook and internet marketing. The committee recommends that your website incorporate links to and from the PC Chamber (pcinfo.com) and PC Summit County Arts Council (pcscarts.org) websites to cross promote and unify marketing efforts. The committee also suggests developing a tracking/survey system to provide data on Gallery Stroll attendees home zip codes and restaurant patronage. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2009: \$5,000; 2010: \$5,000; 2011: \$5,000

1226 PC Historical Society & Museum

\$ 41,800

\$ 20,000

RATIONALE: This application is for co-op marketing with the Chamber in SLC Tribune, Social Media, as well as public relations initiatives. The funding would also help with the strategy & creative development of these programs.

RESTRICTIONS: Funding may be used for print advertising outside of Summit County and social media only. The committee especially likes the use of two-for-one coupons, and appreciates the detailed records of out-of-county/state attendance provided by the museum. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$215,100 – documentation received and being reviewed; 2008: \$150,000; 2009: \$80,000; 2010: \$25,000; 2011 \$20,000;

1227 PC Performing Arts Foundation - Promotion

\$ 142,338

\$ 45,000

RATIONALE: This application is for the marketing and advertising of the upcoming season outside of Summit County. The Eccles Performing Arts Center has received capital and marketing funding from this tax since the Center's inception. The Center is excellent at including students and residents from all over the county in its programs. The summer events have added to the Park City summer event calendar. The ticket sales last year were up 54% compared to the previous year. They have been working with restaurants to include marketing materials in the check including bounce backs and special programs.

RESTRICTIONS: Funding may only be used for radio, print, newspaper and targeted mailings outside of Summit County. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$50,000; 2008: \$50,000; 2009: \$ 60,000; 2010: \$50,000; 2011: \$50,000

1228 Egyptian Theatre - Promotion

\$ 75,000

\$65,000

RATIONALE: This is the 31st anniversary of The Egyptian Theatre. Their survey results shows 55% of all patrons dine out before coming to the theatre; and 42% of patrons sometimes dine out before coming to the theatre. 43% of the audience is from outside of Summit County. 67% of the audience received their information via the internet; and 21% via the newspaper. They have changed programming to include national acts and other types of entertainment besides theatre productions in order to keep the theatre open more often. This programming change has made this organization much more viable and

economically solvent. They are able to leverage their advertising into a 3 – 1 ratio thru non-profit trades and have a Dine and Stay promotion with the Yarrow and 350 Main.

RESTRICTIONS: Funding may be used for marketing in print and broadcast advertising outside of Summit County and for website updates. Funds may not be used for the *Park City Magazine* or Summit County advertising. The committee recommends that your website incorporate links to and from the PC Chamber (visitparkcity.com) and PC Summit County Arts Council (pcscarts.org) websites to cross promote and unify marketing efforts. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$20,000; 2008: \$25,000; 2009: \$40,000; 2010: \$50,000; 2011: \$60,000

1229 Park City Soccer Club - Promotion \$ 15,000 \$ 7,000

RATIONALE: This is the 9th year for this event. The committee commends the organizers on adding Sunday competition in order to attract out-of-state teams they are the only Utah soccer tournament to offer this. The event is held the first weekend in August, which is the same weekend as the PC Arts Festival in order to enhance the activities available for families attending the event. This year, they expect 263 teams. They are the largest soccer tournament in Utah and last year turned away teams. Organizers estimate that this tournament brings in about 5,000 people who come and stay three to four nights. Their emphasis is on growing the destination teams and enhancing the quality of the competition at all levels of play. They work with lodging partners in Park City and estimate about 400-500 room nights being generated by this program.

RESTRICTIONS: Funding may only be used for marketing to out-of-state teams as outlined in the application, including Got Soccer website, social media, Soccer Club mailing lists, promotional postcards and mailings with lodging partners. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2008: \$8,000; 2009: \$7,000; 2010: \$10,000; 2011 \$10,000

1230 Park City/Summit County Arts Council - Promotion \$ 20,000 \$ 12,000

RATIONALE: This application is for promotion of Summit County as a cultural and art destination throughout the summer. Their marketing efforts will target the Western United States and the surrounding drive markets. The plan includes placement of internet ads/on line media and paid search ads. They work with the area lodging and PC Restaurant Association to create packages that can be tracked back to the on-line advertising. They will be piggybacking on the Chamber and UOT advertising specifically targeting the arts/culture message.

RESTRICTIONS: Funding may only be used for banner ads and online advertising to drive guests to their website that will be promoting ALL cultural and art events throughout Summit County. The committee asks that this organization reach out to all art and cultural programs to insure that all of these programs are included on their website/calendar of events. The committee recommends that your website incorporate links to and from the PC Chamber (visitparkcity.com) website to cross promote and unify marketing efforts. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2009: \$29,450; 2010: \$10,000; 2011: \$12,000

1231 Park City Tennis/ PC Municipal - Promotions \$ 20,000 \$ 8,000

RATIONALE: Four US Tennis Association sanctioned tournaments are held at the PC MARC each year during the shoulder season months of April, May, November and August. This application is requesting seed money to defray tournament expenses, including prize money for the two Men's National tournaments. Prize money is not currently offered and attracts more high quality competitors. Organizers anticipate that the four tournaments will attract 354 overnight visitors from outside the county.

RESTRICTIONS: Funding may be used for \$4,000 in prize money for each of the two men's tournaments. Funds may not be used to purchase meals for players and family. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application

1232 MTB Race Series-Park City Young Riders \$4,000 \$1,000

RATIONALE: This application is requesting funding to market four midweek Mountain Bike races. 70% of their participants have been from out of town, approximately 130 racers per event. They are working

with several restaurants to offer “specials” for the race participants. These funds would be used for digital and print marketing.

RESTRICTIONS: Funding may be used for advertising and marketing outside of Summit County as outlined in the application. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: First time application.

1233 Park City Silly Market

\$ 33,000

\$ 4,500

RATIONALE: This is the fifth year of funding this weekly summer event. It is held every Sunday during the summer months on Main Street in Park City. Organizers estimate 121,000 visitors will come to Main Street and attend Silly Market this summer. They estimate that 62% of attendees are from outside of Summit County.

RESTRICTIONS: Funding may only be used to market and advertise this event outside of Summit County as listed in the application. Funding may not be used for in-kind marketing or for staff salaries. PCSM needs to give preference to in-County food vendors to insure that Summit County Restaurant tax can increase. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$4,000; 2008 \$5,000; 2009: \$5,000; 2010: \$5,000; 2011: \$4,500

1234 Park City Area Restaurant Association (PCARA)

\$237,115

\$185,000

RATIONALE: This is the 14th year of funding for the Restaurant Association. The Association continues to have a very successful program to generate additional restaurant business. Their goal is to create broader marketing efforts, selling both Park City as a destination and the events in Park City. They will focus on social media and e-mail for their advertising campaigns. They are requesting funding for PR- with an on-line press kit, a social media campaign and a mobile site. They are specifically targeting the Wasatch Front via radio, bus tail advertisements, Salt Lake Airport advertising and print advertising. They are planning to track all of their marketing efforts.

RESTRICTIONS: Funding may only be used for marketing and advertising outside Summit County as outlined in the application. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$120,000; 2008: \$180,000; 2009: \$180,000; 2010: \$180,000; 2011: \$180,000

1235 Park City Area Restaurant Association (PCARA)

\$ 20,000

\$ 16,000

RATIONALE: This is the 5th year for Savor the Summit. Last year, 29 restaurants served 2,000 people at the Grand Table on Main Street. An additional 1,000 people visited Main Street that evening for the spirit garden, live music and dining inside restaurants. This one-day event has been expanded to work with lodging partners promoting packages to make a weekend in Park City and will have over 39 restaurants participating in 2012. Music is programmed over the length of Main Street starting at 4 p.m. and is provided by Mountain Town Music. The Savor the Summit event will be advertised in major Wasatch Front sources including: Salt Lake Magazine, Radio Stations, City Weekly, etc. They have just secured Channel 4 as a sponsor, so there will be additional TV advertising and promotion.

RESTRICTIONS: Funding may be used for public relations, advertising and marketing outside of Summit County as outlined in the application. Funding may not be used for KPCW radio or *Park Record* print advertising or any advertising within Summit County. The committee recommends an attendee survey to gather more data on who attends the event.

Comments: The committee encourages discussion of future expansion of this event or an additional dining event, possibly a similar concept – but not a grand table in a different location/date. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2009: \$25,000; 2010: \$20,000; 2011: \$18,000

1236 Peoa Special Services District – Facility

\$ 17,440

\$ 3,200

RATIONALE: The Peoa Special Service District is requesting funding to help with advertising for a Utah’s Mounted Thunder, a cowboy mounted shooting club. They are also requesting funding for repair

and renovation of corrals and arena including small portable bleachers and for pruning of willow trees of the park.

RESTRICTIONS: Funding may be used as follows: \$1100 for awards and supplies for Mounted Shooting competition; \$1050 for arena updates and maintenance as outlined in the application; \$1050 for advertising the Peoa Stampede outside of Summit County. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2008: \$1000, 2009: \$1000, 2010: \$3,000, 2011: \$7,800

1237 Snyderville Basin Recreation District-Fieldhouse \$17,035 \$10,000

RATIONALE: This application is for adding additional flooring/and replacement of damaged flooring, as well as an electric forklift to install the flooring. This flooring is used for several events each year including: Sundance Film Festival, Karate Tournament, PC Ski Swap and Black Diamond Gymnastics regional tournament.

RESTRICTIONS: The Committee recommends that the \$10,000 grant be divided as follows, \$7,000 for replacement flooring and \$3,000 toward the purchase of a forklift needed to move the flooring during installation and removal. The Committee recommends that a reserve fund should be established by the Snyderville Basin Recreation District to cover the replacement costs of the flooring. This could be funded by fees charged for set-up and use of the flooring. If the fork lift is not purchased within the time frame of this grant, the \$3,000 will revert back to the Restaurant Tax fund. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$20,000; 2010: \$26,925, \$6,000; 2011: \$20,000

1238 Snyderville Basin Recreation District-Trailside \$ 40,000 \$ 20,000

RATIONALE: This application is for extending the existing Trailside Bike Park. The money requested would help fund the All Mountain Loop included in the design. The proposed trail will be a one mile, one way loop catering to all age/riding abilities. The bike trails in Summit County are gaining national recognition and becoming a driving force for summer tourism

RESTRICTIONS: Funding may be used for construction of the trail surface and for trail features A1-A13 as described in the application. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$20,000; 2010: \$26,925, \$6,000; 2011: \$20,000

1239 Summit County Fair-Promotions/Events \$ 17,000 \$ 15,000

RATIONALE: This application includes three components:

1-Sheep Dog Trial: This is the third year for an application to hold a sheep dog trial in conjunction with the County Fair in Coalville. Organizers expect approximately 100 dog teams; they already have 70 teams signed up from all over the Western United States. The growth of the Sheep Dog Trials at Soldier Hollow attests to the public interest in this sport. This funding request is for \$10,000 for advertising and \$5000 for prize money. The amount of prize money attracts higher quality handlers, and therefore more spectators. The potential to grow this event is huge. Advertisement funding would be used for newspapers and website production.

2-Big Screens for Rodeo: Big screen displays are becoming an expectation for Rodeo attendees. The screens get the crowd more involved in the event and offer enhanced sponsorship/advertising possibilities. In order to stay competitive and offer something new to the attendees, the Fair Board feels this is one way to continue to draw crowds to this event.

3-Barrel Racing Competition: Last year this event had over 200 participants. This sport is a very well attended, tourism driver for many communities in Utah. The grant request is for funding to advertise this event.

RESTRICTIONS:

1-Sheep dog trial- \$4500 used towards awards/prizes for this event; \$3500 used towards advertising outside of Summit County.

2-Big Screens for Rodeo- \$6500 towards the rental of a big screen display for the rodeo.

3-Barrel Racing- \$500 towards awards for the event

Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2010: \$7,000 (sheepdog); 2011: \$10,000 (sheepdog); \$9,000 (marketing); \$3,730 (facilities)

1240 Summit County Historical Society – Magazine \$ 25,000 \$ 25,000

RATIONALE: This application is to create a 48-56 page magazine a *Scenic Driver's Guide to Summit County* featuring scenic driving tours that lead to Summit County's rural towns. The driving tours will promote historic and cultural tourism to the county, thereby increasing overnight visitation and restaurant patronage. Distribution outlets will include the new PC Chamber Visitor's Center, Echo Information Center, Salt Lake Airport, Salt Palace Convention Center and Utah Travel Council Hall.

RESTRICTIONS: Funding may be used for photography, production and printing of the magazine as outlined in the application. The committee urges consideration of a charge or requested donation for the magazine but understands the difficulty in collecting funds at the distribution outlets. The committee will be interested to receive follow-up information on the lifespan of the 8,000 copies printed for this attractive, complimentary magazine. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2008: \$10,000; 2009: \$6,000; 2010: No request; 2011: \$7,400

1241 Sundance Film Fest – Promotion \$200,000 \$120,000

RATIONALE: This is the thirteenth year of funding for this applicant. The Sundance Film Festival continues to be the largest and most economically significant single event of the year, generating an estimated \$80 million in economic impact to Utah. An estimated 73% of nonresidents who attended the festival stayed in the Park City Area. The 2012 festival generated \$17.8 million in food and beverage sales. The 2012 Worldwide Media value generated by the festival is estimated to be in excess of \$69 million, second only to the 2002 Winter Olympics. This media exposure has enhanced Park City's name recognition and reputation as a desirable destination.

RESTRICTIONS: Funding may only be used for national/international print advertising, electronic advertising, on-line advertising, radio advertising, billboard advertising, and press programs. The committee would like to encourage continued exposure of Park City as a tourism destination in collateral materials and trailers as has been done in previous years. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007:\$110,000; 2008: \$120,000; 2009: \$120,000; 2010: \$120,000; 2011:\$100,000

1242 USSA – Promotion \$105,000 \$95,000

RATIONALE: This event is a Freestyle World Cup competition at Deer Valley in 2013. This request is to help secure funding for television coverage, on NBC and international networks. This plan includes integrating sport with entertainment at the World Cup competitions to maximize the value of the time buy as research has proven that sport/entertainment events not only attract large spectator groups, but also provide more dynamic TV programming, which increases viewership. The TV coverage will showcase Park City and the Freestyle skiing event and promote Deer Valley as a world class resort. This year, they will include same day live showing in the European market in high definition. This is a lifestyle event.

RESTRICTIONS: Funding may be used for the television coverage as outlined in the application. The committee would like to encourage inclusion of vignettes of Park City as a tourism destination during the television network coverage. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2008: \$110,000; 2009: \$150,000. 2010: \$100,000; 2011: \$100,000

COMMENTS: Due to the inability of the applicant to provide adequate accounting backup by the required due date on a previous grant, the recommended 2012 grant amount has been reduced by 5% per the terms of the contract with the County.

1243 Utah Athletic Foundation - Promotion \$ 87,500 \$ 73,000

RATIONALE: This was a consolidated application from the Utah Olympic Park (UOP) and The Alf Engen Ski Museum. There are only two facilities like this in the United States. The request is for marketing the Park as well as the Museum. Research shows that there were 400,000 attendees who visited the park last year 78% outside of Summit County. This facility continues to be a draw for people to visit Park City.

This application is requesting funding for print media, airport advertising, radio, TV, meeting & convention publications, billboards, as well as social media.

RESTRICTIONS: .The Grant funding may be applied to the FIT advertising plan, the Meeting/Convention/Group Business advertising and Sales plan, and the Social and Interactive Media Sales Plan as outlined in the application. The committee recommends that your websites incorporate links to and from the PC Chamber (visitparkcity.com) and PC Summit County Arts Council (pcscarts.org) websites to cross promote and unify marketing efforts. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$50,000; 2008: \$50,000; 2009: \$50,000; 2010: \$ 50,000; 2011: \$60,000

1244 Utah Symphony and Opera - Promotion \$ 120,000 \$ 70,000

RATIONALE: This year will be the 9th annual festival. The 2012 Deer Valley Music Festival features 5 pops series concerts, 4 classical series concerts, 3 chamber orchestra concerts and 3 guest chamber orchestra concerts. The Symphony/Opera continues to increase their presence in Summit County through partnerships with the Park City Chamber, local businesses and the lodging community. They promote Park City as a place to visit and stay, not just come for the performance and estimate 25,000 out of county overnight visitors generated this year. This funding request is for marketing: outdoor advertising, radio/TV, hot deals/lodging packages, online/email advertising.

RESTRICTIONS: Funding may be used for marketing outside of Summit County as outlined in the application. Funds may not be used for KPCW radio, the Street Team, banners placed in Summit County, Park Record print advertising or any ads within Summit County. Please ensure that the Summit County Restaurant Tax Fund is credited as a sponsor and the logo is used where applicable.

PREVIOUS FUNDING: 2007: \$50,000; 2008: \$50,000; 2009: \$60,000; 2010: \$70,000; 2011: \$70,000

To: County Council

From: Anita Lewis, Assistant Manager

Date: June 7, 2012

Re: Restaurant, Recreation, Arts and Park (RAP) Cultural and Transient Room Tax (TRT)
Grant Opportunities

Background: The County Council has received recommendations from granting advisory committees on allocating monies to non-profit organizations. These funds are collected from taxing sources and have different criteria on how the funds may be spent as outlined in State Law and County Code.

Purpose: The scheduled work session is for the Council to set priorities or services that may be funded through these different types of grants. Helen Strachan, Deputy Attorney, has researched the history, law and purpose of the grants and has explained the individual policies, duties and obligations. (See attached)

Summary: Currently, the three separate tax grant applications are available on different forms and funding opportunities are at various times of the year. The applications are reviewed by a Council-appointed advisory board, and the Council receives a funding recommendation by each board. The applications are written by the advisory boards adhering to the laws, codes and policies.

The Commission form of government may have set priorities in the past. It is appropriate discussion for the Council to set their priorities. Below is an example of Salt Lake County Council's priorities for the Tier II Zoo, Arts and Park Application.

Example – In the Salt Lake County - Tier II 2012 Zoo, Arts and Park Application - The evaluation criteria has been set as follows:

- 1) Artistic/botanical/cultural/historical/natural history aspects:** Significance of the project, impressive, unique or noteworthy contributions. Are the activities aligned with the cultural mission?
- 2) Community Aspects:** Service to the community. Service to the community includes activities in addition to the public performances or other formal presentation related to the mission. Service to the community is evaluated by clear explanation of the people to be served, of the why the organization provides this service, and of how the service fits into the overall mission of the organization.

3) The County has adopted other capacities relating to organizational aspects.

Another point of discussion is combining the three applications into one form; one application would include all applications divided by three sections. This process would improve efficiency and performance therefore eliminating the duplication of information that is now requested by the different forms. This procedure will provide better communication between granting advisory boards and not fund duplicated services. It will also enable the committees to have an understanding of what monies have been allocated by other taxing funds and a broader awareness of the services the County is buying.

Recommendation: Staff recommends the Council set priorities for each grant application. Staff also recommends the granting entities combine their separate applications into one application.

**DAVID R. BRICKEY
COUNTY ATTORNEY**



Criminal Division

JOY NATALE
Prosecuting Attorney

MATTHEW D. BATES
Prosecuting Attorney

RYAN P.C. STACK
Prosecuting Attorney

Summit County Courthouse \$ 60 N. Main \$ P.O. Box 128 \$ Coalville, Utah 84017
Telephone (435) 336-3206 Facsimile (435) 336-3287
email: (first initial)(last name)@summitcounty.org

Civil Division

DAVID L. THOMAS
Chief Deputy

JAMI R. BRACKIN
Deputy County Attorney

HELEN E. STRACHAN
Deputy County Attorney

To: Summit County Council
From: Helen Strachan
Date: June 7, 2012
Re: *Summit County Grants*

I have been asked by the Manager's Department to put together a memo regarding the laws that relate to Summit County's Restaurant Tax, Recreation RAP Tax, Cultural RAP Tax, and Transient Room Tax. As you are well aware, Summit County collects taxes from different sources to fund a variety of programming in the County. The application, granting, and funding process for each of these different taxes vary and the Manager's Department desires to streamline this process.

RESTAURANT TAX

History, Law, & Purpose: The Restaurant Tax was authorized by the Utah State Legislature in 1991 (UCA §59-12-601 et. seq.) and the collection of said tax by the Summit County Board of County Commissioners in June of 1992. It has been codified in our Summit County Code and is found in Title 3, Chapter 3B. State law authorizes counties to impose a tax not to exceed 1% of all sales of alcoholic beverages, food and food ingredients, or prepared food that are sold at restaurants. Summit County has done just that, levying a 1% tax on all restaurant sales of food/beverages made within Summit County (including its cities and towns).

Pursuant to State Law and our own Code, this tax may be used for the following purposes:

- 1) Financing tourism promotion; AND
- 2) The development, operation, and maintenance of:
 - a) an airport facility (actually, our own code does not allow for funding of airport facilities, in all likelihood, because we do not have any!);
 - b) a convention facility: defined as a publicly owned/operated convention center, sports arena, or other facility used primarily for public or private conventions, conferences, events and other gatherings;
 - c) a cultural facility: defined as any publicly owned or operated museum, theater, art center, music hall, or other cultural or arts facility;
 - d) a recreation facility: (see definition below); OR
 - e) a tourist facility: recreation/tourist facilities are defined as any public owned or operated park, campground, marina, dock, golf course, water park, historic park, monument, planetarium, zoo, bike trails, or other recreation or tourism-related facility.

Summit County Restaurant Tax Policies: Per our most recent Restaurant Tax Application, Summit

County currently requires the following:

- 1) Facilities: If the funds are to be used for either the development, operation, or maintenance of the above facilities, the facility must be publicly owned or operated by a governmental entity or governmental subdivision OR
- 2) Tourism Promotion: If the funds are for tourism promotion,
 - the applicant must be by a governmental entity, governmental subdivision, or nonprofit organization
 - the project must be designed to bring in new tourists (preferably overnight) from outside of Summit County.
 - the event must take place in Summit County and may not be used to promote an event solely to a local audience.

Restaurant Tax Advisory Committee: The duties and obligations of the Restaurant Tax Advisory Committee have been codified by Summit County Code Title 2 Chapter 40. The Committee's role is to accept applications, investigate¹, prioritize and present to the County Council recommendations as to the granting of funds collected from the Restaurant Tax. The County Code specifically states that it is the role of the Committee to establish and maintain a procedure for the evaluation of requests for funding from the tax. It further states that the Committee shall

place great emphasis on the project's ability to satisfy the basic object of the program, that is, increasing tourism in the community and/or publicly owned and operated recreational and cultural facilities. Additional factors to be considered are, but not limited to size of the request, availability of other sources of funding, cofunding, experience of the project manager, quality of project plans and controls, nature of the project (infrastructure versus promotion) and the ability of the project to increase future funds into restaurant tax collections.

Criteria: With the above requirements in mind, the Restaurant Tax Advisory Committee uses the following criteria to score each application (I am unsure how or if the criterion are given certain preference or weight):

- 1) Does the project meet the intent and requirements of state statute?
- 2) Does the project benefit tourism in the area, especially overnight visitors?
- 3) What is the likelihood of successful completion?
- 4) Does the project provide a tangible asset for the community or is it a promotion?
- 5) The ability to leverage grant funds, other sources of funding and positive partnerships
- 6) Potential for the project to generate more dollars for the fund in the future

Members of the Committee will be present at the work session discussion to answer any questions.

¹ The role of the Committee is set forth in our County Code, but not defined by State law. What is meant by the Committee's role in "investigating" applicants and grant applications has been a question posed in the past. The Council may want to discuss this in more detail.

TRANSIENT ROOM TAX (TRT) / SPECIAL EVENT GRANT

History, Law, & Purpose: State law allows counties to impose a tax not to exceed 4.25% on any person who occupies a transient room, defined as a tourist home, hotel, motel, or trailer court accommodation and service that are regularly rented for less than 30 consecutive days (UCA §59-12-601.1 et. seq.). Our County has done just that, adopting an ordinance (codified in our Summit County Code in Title 3, Chapter 3A), which imposes a 3% tax on transient rooms.

Pursuant to State Law and our own Code, this tax may be used for the following purposes:

- 1) Establishing and promoting recreation, tourism, film production, and conventions;
- 2) Acquiring, leasing, constructing, furnishing, maintaining, or operating:
 - a) convention meeting rooms;
 - b) exhibit halls;
 - c) visitor information centers;
 - d) museums;
 - e) sports and recreation facilities, including practice fields, stadiums, and arenas; and
 - f) related facilities²; AND
- 3) Acquiring land, leasing land, or making payments for construction or infrastructure improvements required for or related to the purposes listed in #2 above;³

Summit County TRT Policies: Pursuant to our agreement with the Park City Chamber Bureau, once these taxes are collected, 90% of the revenues are deposited into a TRT fund created by the Chamber Bureau. The Bureau has its own application and process for distributing TRT funds, or, what the Chamber calls “Special Event Grants.”

Criteria: Per its most recent application, each application is reviewed and evaluated based on the event’s potential to:

- 1) Drive overnight visitors to Park City/Summit County and thus have a positive and measurable economic impact on local businesses including, but not limited to, lodging properties, restaurants, and retail stores;
- 2) Generate positive editorial coverage of the event and/or the community from electronic, print, broadcast, or social media;
- 3) Enhance the community’s event calendar for full and part-time residents and visitors.

The application states that additional consideration may be given to events that occur in the shoulder season months (i.e. April, May, October, or November) It is my understanding that, unlike some of our other grants, TRT monies are used to fund private companies, in addition to non-profit groups. The Bureau does weight the above categories differently, giving most priority to whether the event will drive overnight visitors. Members of the Bureau will be present at the work session discussion to answer any questions.

² We have funded our Summit County fairgrounds in the past as a “related facility.”

³ There is a fourth allowable use of these funds that are only applicable to 4th, 5th, and 6th class counties and so not mentioned here.

RAP TAX:

History, Law, & Purpose: State law allows counties the option to impose a local sales and use tax of .1% for the purpose of funding recreational and zoological facilities and botanical, cultural, and zoological organizations (UCA §59-12-701 *et. seq.*)⁴. The question of whether to impose such a tax is posed to Summit County voters every ten years, as allowed by law. Our County has done just that, adopting a local sales and use tax of 1/10 of 1% to fund the below described purposes (codified in our Summit County Code in Title 3, Chapter 3C). The Code, however, permits counties to use their RAP funds for a variety of activities and affords them both much flexibility in customizing their RAP programs to support local needs. Counties may divide their RAP tax spending, in various proportions, across both recreation and arts, which is what we have done.

Pursuant to State Law, this tax may be used for the following purposes:

1) To fund:

- a) cultural facilities: defined as any publicly owned or operated museum, theater, art center, music hall, or other cultural or arts facility (*same definition as Restaurant Tax*);
- b) recreational facilities: defined as a publicly owned or operated park, campground, marina, dock, golf course, playground, athletic field, gymnasium, swimming pool, trail system, or other facility used for recreational purposes (*note different definition than Restaurant Tax*)
- c) zoological facilities: (this defined term only applies to counties of the 1st class)
- d) botanical organizations: defined as a private nonprofit organization or institution having as its primary purpose the advancement and preservation of plant science through horticultural display, botanical research, and community organization.
- e) cultural organizations: defined as a private nonprofit organization or institution having as its primary purpose the advancement and preservation of history; OR a municipal or county cultural council having as its primary purpose the advancement and preservation of history, natural history, art, music, theater or dance. Cultural organization *do not* including any state agencies, political subdivisions (except for municipal or county cultural councils as described above), or schools whose annual revenues are over 50% from state funds.
- f) zoological facilities: defined as a public, public-private partnership, or private nonprofit organization having as its primary purpose the advancement and preservation of zoology.
- g) rural radio stations: defined as a nonprofit radio station; OR

2) Provide funding for a botanical organization, cultural organization, or zoological organization to pay for use of a bus or facility rental if that use of the bus or facility rental if that use of the bus or facility rental is in furtherance of the organization's primary purpose.

⁴ A sales and use tax is imposed on the purchaser of a variety of transactions too numerous to list here as found in UCA §59-12-103. Please let me know if you want a complete listing.

Advisory Committees: Summit County has chosen to create two separate advisory committees to oversee distribution of RAP Tax Funds: a cultural and a recreational advisory committee. The duties and obligations of both committees have been codified Summit County Code Title 2 Chapter 14. Similar to the Restaurant Tax Committee, each Committees' role is to accept applications, investigate, prioritize and present to the County Council recommendations as to the granting of funds collected from the RAP Tax. The County Code specifically states that it is the role of the Committees to establish and maintain a procedure for the evaluation of requests for funding from the tax and to establish an application form and review process.

**Grant Funding Report
2011**

<u>Organization</u>	<u>2011 Restaurant</u>	<u>2011 RAP Cultural</u>	<u>Special Event (Chamber)</u>	<u>Total Grants</u>
Alf Engen/UAF	\$60,000	\$22,392		\$82,392
Egyptian Theater	\$60,000	\$69,864	\$5,000	\$134,864
Kimball Art Center	\$38,500	\$70,944		\$109,444
Mountain Town Music	\$25,000	\$87,428	\$5,000	\$117,428
Park City Chamber Music		\$16,821	\$500	\$17,321
Park City Historical	\$20,000	\$42,894		\$62,894
Park City Film Series	\$12,000	\$33,990		\$45,990
Park City Performing Art	\$50,000	\$41,578	\$7,000	\$98,578
PC/Summit County Art	\$12,000	\$45,169		\$57,169
Sundance	\$100,000	\$74,101	\$160,000	\$334,101
Swaner		\$43,000	\$1,000	\$44,000
Utah Symphony/DVMF	\$70,000	\$55,442	\$7,500 (Deer Valley Music Festival)	\$125,442
			TOTAL	\$1,229,623

INTERLOCAL COOPERATION AGREEMENT
Between
SUMMIT COUNTY
And
THE SNYDERVILLE BASIN SPECIAL RECREATION DISTRICT

FOR DISTRIBUTION OF FUNDS AND EXPENDITURE AND USE OF A PORTION OF
RECREATIONAL OPEN SPACE BOND PROCEEDS

THIS INTERLOCAL COOPERATION AGREEMENT ("Agreement") is made and entered into this ___ day of _____, 2012, between SUMMIT COUNTY, a body corporate and politic of the State of Utah ("County"), and the SNYDERVILLE BASIN SPECIAL RECREATION DISTRICT, a local district of the State of Utah ("the District"). The County and the District are collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, continued effort toward land preservation and non-motorized trails in the Snyderville Basin was mandated by voters in the 2010 General Election, when 72% of voters cast ballots in favor of a \$20 million Recreational Open Space Bond ("the Bonds") "for the purpose of financing all or a portion of the costs of acquiring recreational open space property, constructing trails and trail-related improvements," and;

WHEREAS, the District issued \$20,000,000.00 in General Obligation Bonds approved by voters ("the Funds") with an allocation of \$12,000,000.00 to be used for the acquisition and preservation of recreational open space properties in the District and \$8,000,000.00 to be used for the construction of community trails, and;

WHEREAS, it is the intent of the Parties to protect the scenic beauty, wildlife, recreational opportunities and open space values of each Property identified for acquisition according to the Basin Open Space Advisory Committee "Evaluation Criteria for the Acquisition of Open Space" to further enhance the quality of life enjoyed by the citizens of the Snyderville Basin, and;

WHEREAS, it is the intent of the Parties through land preservation efforts in the Snyderville Basin to provide connectivity between blocks of open space and corridors for non-motorized trails and wildlife migration, and;

WHEREAS, the District desires to contract with the County for the joint and cooperative use, as the case may be, of the Funds for open space land acquisition and other approved and related uses, and;

WHEREAS, the Parties desire to enter into an Interlocal Cooperation Agreement to define the use of a portion of the Funds and the Parties agreement, and;

WHEREAS, UTAH CODE ANN. § 11-13-101, *et seq.* (the "Interlocal Cooperation Act"), authorizes public agencies to enter into joint agreements with each other, upon a resolution to do so by their respective governing bodies, to do what each agency is authorized by law to perform, and;

WHEREAS, the Parties are public agencies as defined by the Interlocal Cooperation Act and desire to jointly exercise certain powers to accomplish the purposes of this Agreement, provided however, that this Agreement does not and shall not be interpreted to create a separate interlocal entity for any reason;

NOW, THEREFORE, the Parties mutually agree as follows:

1. Project. A portion of the Funds received by the District for the issuance of the Bonds shall be used for the Project defined in this paragraph. The Funds for the purchase transaction will be transferred as provided herein, under the terms and conditions of this Agreement to acquire the open space parcel generally referred to as “The Nadine Fausett Gillmor Trust” (“Gillmor Trust”) described specifically on Exhibit 1 to this Agreement (herein after referred to as “The Property”. The property shall be acquired with the County acting as “Buyer” under the Real Estate Purchase and Settlement Agreement “Settlement Agreement” in force between the County and Gillmor Trust as follows:
 - a. Purchase Price. The purchase price for the Property shall be \$7,425,000.00 for an estimated of 290 acres. The Purchase Price shall be paid as follows:
 - i. On or before June ___, 2012, the District will transfer the sum of Six-Million Dollars (\$6,000,000) of its Open Space Bond proceeds from its Public Trust Investment Fund(“PTIF”) Account #5602 “Snyderville Rec-2011 Open Space” to Summit County PTIF Account 1068.
 - ii. The County shall transfer the sum of Six-Million Dollars (\$6,000,000) of Bond proceeds from PTIF Account 1068 to an escrow fund set up by the County for the Purchase of The Property at U.S. Title Insurance Agency, LLC, 1630 Short Line Road, Park City, Utah, Attn: Kathie Johnson (“Title Company”) as described in Settlement Agreement, along with Escrow Instructions.
 - iii. Per the terms of Paragraph 2.A.ii. of the Settlement Agreement, the balance of the Purchase Price by promissory note (the “Note”) from Buyer to Seller, shall be secured by a First Deed of Trust (the “Trust Deed”) against the Property, bearing no interest and due in full on or before the date that is one year from the date of Closing, for which the District will have no financial obligation to fund or guarantee to fund from either the Bond proceeds or any other of its funds unless the District determines it would separately purchase a portion of said property for its expansion of other recreational uses .
2. Ownership. Per the terms of paragraph 13(A)(i) of the Settlement Agreement the County agrees at the time of Closing that title to the Property will be conveyed to both the County and the District as joint tenants, and the County and the District shall jointly execute and deliver the Trust Deed, and the Title Policy shall insure title to the Property to both the County and the District. The assigned asset allocation to the District for the Property shall be no less than the full value of the

Funds provided by the District as a percentage of the total purchase price, estimated to be 81% interest, in the Settlement Agreement.

3. Trail System Expansion. After the acquisition of the Property, it is agreed that the District will extend its non-motorized trail system through the Property by amending its Trails Master Plan to define Community trail corridors proposed through the Property and appropriate connections and link points to surrounding properties that allow for non motorized trail access .
 - a. Permitted Use under Conservation Easement. Per the terms of paragraph 6 of the Conservation Easement held by Utah Open Lands, constructing, installing, maintaining, operating, grooming, expanding, and replacing non-motorized recreational trails and such trailhead parking areas, restrooms, interpretative and informational kiosks and signs, features for equestrian trail training, nature exhibits, and benches as may be necessary or desirable to support expansion of the District's Community-wide non-motorized trail system are permitted.
 - b. Trail Construction, Operation and Maintenance. The District shall be solely responsible for the construction, operation and maintenance of trails referred to in this Agreement. District funds for recreational open space acquisition are invested in the Properties and used with the intent to allow public trail access and to educate users on recreational land use, in addition to preserving environmentally sensitive areas and view corridors. Recreational open space may include use of the land for trail related special events, provided the event is permitted in accordance with rules and regulations of the District and Summit County.
4. The Bond Funds shall not be used by the County for land restoration or maintenance activities. The County has established a Western Summit County maintenance and operation fund for the maintenance and management of lands, to include but not be limited to Weed Control, Mosquito Abatement, Arbor Care, Fire Control (breaks, "fuel removal"), Pest Control, Trails Maintenance (excluding public trails managed and maintained by Snyderville Basin Special Recreation District), Legal Defense, Drainage Improvements and Maintenance, Water Rights, Wetland Restoration or Mitigation, Fencing, Historical Preservation, Insurance, Violation Enforcement, and/or other special ongoing open land management expenses, including Stewardship Funds paid to the Grantee of any conservation easement(s) placed on the Property(ies).
5. Duration and Termination. This Agreement shall terminate on June ____, 2062 and extend without further action of either party unless otherwise terminated by the Parties in writing.
6. Compliance with Internal Revenue Code for Tax-exempt Status of Bonds. The Parties recognize that the bonds the County has issued will bear interest which is intended to be tax-exempt for federal income tax purposes. In order to assure compliance with the requirements of the Internal Revenue Code ("Code") applicable to the tax-exempt status of interest on the bonds, the Parties hereby covenant and agree as follows:

- a. No portion of the Property financed with the proceeds of the bonds will be used for any private business as defined in Section 141(b) of the Code. The County and District expect to continually use the land for general public use under the terms of the Conservation Easement. Uses that may count as private business use include sale or leasing of or management contracts for the facilities, use for advertising or other private (nongovernmental) benefit, or use in any activity constituting an unrelated trade or business for purposes of the Code.
 - b. Any management contract for the Property or any portion of it will comply with the requirements of the Regulations for contracts that do not constitute private business use. For this purpose, a contract is not a management contract if it is for services that are solely incidental to the primary function of the Property, such as contracts for maintenance services or uses permitted by Treasury Regulation Section 1. 141-3(d)(5).
7. Nothing in this Agreement is intended to create any liability of either party in favor of any third-parties and nothing in this Agreement should be interpreted to waive any of the provisions of the Utah Governmental Immunity Act which may be applicable to any claim arising out of, or related to, the activities of either party under this Agreement.
 - a. To the extent allowed by law, the COUNTY shall indemnify and hold harmless the DISTRICT, and its Officers, Directors, its agents, employees and independent contractors, and its successors and assigns, against all third party damages, losses, claims, attorney fees and costs arising out of any act or omission of the COUNTY, its agents, employees and independent contractors relating to the performance under this Agreement. This indemnification provision shall apply to all theories of recovery, including breach of contract or warranty, negligence, quiet title, and strict or statutory liability, except for the sole negligence of the DISTRICT, its officers, directors and its agents, employees and independent contractors. the DISTRICT shall give prompt notice to the COUNTY of any claim or demand against the DISTRICT which may allow the DISTRICT to make a claim of indemnification against the COUNTY under this paragraph and that the DISTRICT will allow the COUNTY to investigate, defend and settle such claims without any act on the part of the DISTRICT which may interfere with or compromise the ability of the COUNTY to successfully defend the claim.
 - b. To the extent allowed by law, the DISTRICT shall indemnify and hold harmless the COUNTY, and its Officers, Directors, its agents, employees and independent contractors, and its successors and assigns, against all third party damages, losses, claims, attorney fees and costs arising out of any act or omission of the DISTRICT, its agents, employees and independent contractors relating to the DISTRICT's performance under this Agreement. This indemnification provision shall apply to all theories of recovery, including breach of contract or warranty, negligence, quiet title, and strict or statutory liability, except for the sole negligence of the COUNTY, its officers, directors and its agents, employees and independent contractors. The COUNTY shall

give prompt notice to the DISTRICT of any claim or demand against the COUNTY which may allow the COUNTY to make a claim of indemnification against the DISTRICT under this paragraph and that the COUNTY will allow the DISTRICT to investigate, defend and settle such claims without any act on the part of the COUNTY which may interfere with or compromise the ability of the DISTRICT to successfully defend the claim.

8. Miscellaneous Provisions. The following provisions are an integral part of this Agreement:

8.1 Binding Agreement. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the respective Parties hereto.

8.2 Captions. The headings used in this Agreement are inserted for reference purposes only and shall not be deemed to define, limit, extend, describe, or affect in any way the meaning, scope or interpretation of any of the terms or provisions of this Agreement or the intent thereof.

8.3 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures upon any counterpart were upon the same instrument. All signed counterparts shall be deemed to be one original.

8.4 Governmental Immunity. The Parties are both governmental entities under the "Utah Governmental Immunity Act" (Utah Code Ann. § 63~30-1, et seq.) (the "Act"). Consistent with the terms of the Act, and as provided herein, it is mutually agreed that each party is responsible and liable for its own wrongful or negligent acts which are committed by it or by its agents, officials, or employees. Neither party waives any defenses otherwise available under the Act nor does any party waive any limits of liability currently provided by the Act.

8.5 Severability. The provisions of this Agreement are severable, and should any provision hereof be void, voidable, unenforceable or invalid, such void, voidable, unenforceable or invalid provision shall not affect the other provisions of this Agreement.

8.6 Waiver of Breach. Any waiver by either party of any breach of any kind or character whatsoever by the other, whether such be direct or implied, shall not be construed as a continuing waiver of, or consent to any subsequent breach of this Agreement.

8.7 Exclusive Remedies. The remedies of the Parties specified herein shall be exclusive. Neither party shall have any other right, remedy or priority whatsoever.

8.8 Amendment. This Agreement may not be modified except by an instrument in writing signed by the Parties hereto.

8.9 Interpretation. This Agreement shall be interpreted, construed and enforced according to the substantive laws of the state of Utah.

8.10 Notice. Any notice required or permitted to be given hereunder shall be deemed sufficient if given by an communication in writing and shall be deemed to have been received (a) upon personal delivery or actual receipt thereof, or (b) within two days after such notice is deposited in the United States Mail, postage prepaid, and certified and addressed to the Parties as set forth below:

County:
Summit County Manager
60 N. Main Street
P.O. Box 128
Coalville, UT 84017

Copy to:
David L. Thomas
Chief Civil Deputy
60 N. Main Street
P.O. Box 128
Coalville, UT 84017

District:
District Director and Board Chair
The Snyderville Basin Special Recreation District
5715 Trailside Drive
Park City Utah 84098

Copy to:
Gerald H. Kinghorn
District Attorney
111 East Broadway, 11th Floor
Salt Lake City, UT 84111

8.11 Time of Essence. Time is the essence of this Agreement.

8.12 Delegation. Neither party may assign its rights or delegate its duties under this Agreement to any other person(s) or entity(ies).

8.13 Survival. All of the Parties' respective representations, covenants and warranties and obligations (including, without limitation, any obligation to indemnify) set forth herein shall survive the Closing and the delivery of any deeds, bills of sale or the like contemplated herein.

8.14 Exhibits and Recitals. The recitals set forth above and all exhibits to this Agreement are incorporated herein to the same extent as if such items were set forth herein in their entirety within the body of this Agreement.

8.15 Separate Legal Entity. This Agreement does not create a separate legal entity.

8.16 Interpretation. No provision of this Agreement, nor any ambiguities that may be contained within this Agreement, shall be construed against any party on the grounds such Party or Party's counsel drafted the provision at issue or that the provision at issue contains a covert, representation or warranty of such Party.

8.17 Attorney Review. This Agreement shall be submitted to the authorized attorneys for the County and the District for approval in accordance with UTAH CODE ANN. § 11-13-202.5.

IN WITNESS WHEREOF, the Parties caused this Agreement to be executed as by law.

SUMMIT COUNTY

By: _____
David Ure, Council Chair

ATTEST:

Kent Jones - County Clerk

ATTORNEY APPROVAL:

County Attorney

By: _____
(Printed Name)

SNYDERVILLE BASIN SPECIAL RECREATION
DISTRICT

By: _____
Jay Burke, Board Chair

ATTEST:

David Kottler, District Clerk

ATTORNEY APPROVAL:

District Attorney

EXHIBIT
1

Auditor

Blake Frazier



May 25, 2012

County Council,

On May 24th we held our annual delinquent property tax sale. We sold 9 parcels of property to the highest bidder. I've attached a copy of these sales.

At this time I'm asking for your approval of these sales.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Kathryn Rockhill". The signature is written in a cursive style with a large initial "K".

Kathryn Rockhill
Deputy Auditor

MARY HELEN PARSONS

120 Q STREET

SALT LAKE CITY, UTAH 84103

CD-643-A

W 40 FT OF TRACT BEG 360 FT W FR SE CORSEC 22 T2SR6E SLM TH W 960 FT; N 464.08

FT; S 64|12'E 1056 FT TO BEG CONT 5.08 AC BAL AC 0.42 AC (MARY HELEN PARSONS UND 1/2 INT LYNN R LARSEN UND 1/2 INT)VWD151 M31-389 M74-187

Balance Due: \$88.68

Name of Buyer: Bruno Ruegg

Final Accepted Bid: \$313.68

Address: 560 Golf Ln

Sale Cost: \$225.00

Lake Forest, IL 60045

Balance -0-

Telephone# 847-615-0436

BID #14

Name BERRY PAUL E & LINK RICHARD S

Address 3382 ANTLER WAY SALT LAKE CITY, UT 84121-4404

Parcel
Number: CD-644-C

Legal: COMMENCING AT THE SE COR OF THE SW 1/4OF SEC 22,T2SR6E,SLBM;
TH W 590 FT, TH N 528 FT, TH E 590 FT, TH S 528 FT TOTHE PT OF BEG
CONT 7.15 ACRES 948-627

BALANCE DUE: \$2,109.58

Name of Buyer: Linda M Robison

Final Accepted Bid: \$5000.00

Address: 6298 Lorreen Dr.

Sale Cost: \$225.00

Salt Lake City, Utah 84121-2028

Balance \$2665.42

Telephone#801-277-5999

BID #41

Name COLLINGWOOD PAUL M , COLLINGWOOD JOYCE M, COLLINGWOOD
MARY E

Address 639 CONNIE DR MIDVALE, UT 84047-2246

Parcel
Number: ECR-205-A

Legal: (BEING PART OF LOT 205) BEG AT THE CORCOMMON TO LOTS 205,90,89,3
& W OF ECHO CREEK RANCHES ACCORDING TO THE RECORDEDPLAT
ON FILE IN SUMMIT COUNTY & RUN TH N84*15' W 539.93 FT; TH N 38* 02'
E165.78 FT; TH S 67*00' E 472.64 FT TO PTOF BEG CONT 0.869 ACRES 485-

708 577-693PAUL M & JOYCE M COLLINGWOOD H/W & MARY E COLLINGWOOD

BALANCE DUE: \$1,403.66

Name of Buyer

Final Accepted Bid: NO SALE

Address

Sale Cost: \$225.00

Balance

Telephone

BID#

Name M&M FINANCE LLC
Address 9176 S 300 W #2 SANDY, UT 84070

Parcel Number: NGC-6

Situs Address: 2578 LONGSPUR LN

Legal: LOT 6 NORTHGATE CANYON SUBDIVISION; ACCORDING TO THE OFFICIAL PLAT ON FILE IN THE SUMMIT COUNTY RECORDERS OFFICE CONT 71,803 SQ FT OR 1.65 AC 1861-1178

BALANCE DUE: \$25,409.73

Name of Buyer Jennings Holdings LLC

Final Accepted Bid: 55,000.00

Address 5116 Silver Springs

Sale Cost: \$225.00

Park City, Utah 84098

Balance \$29,365.27

Telephone 435-731-0305

BID #28

Name NOLAND CHARLENE
Address PO BOX 501 VAN HORN, TX 79855-0501

Parcel Number: NS-125-D

- Legal:
 - BEG AT A PT LOCATED N 0*27'13" W ALONG THE CENTER OF SEC LINE 1811.03 FT FROM THE S1/4 COR OF SEC 8 T1NR5E SLBM; & RUN TH S 89*01' E 794.13 FT TO THE NE COR OF THE PROPERTY CONVEYED IN M255-244; TH N 1*03'22" E 220.55 FT M/L TO THE S'LY LINE OF THE PROPERTY CONVEYED IN M142-789; TH N 89*28' W ALONG THE S'LY LINE OF SD PROPERTY 795.44 FT M/L TO A PT ON THE C/L OF SD SEC 8; TH S 0*27'13" E 224.76 FT ALONG SD C/L TO THE PT OF BEG CONT 4.055 AC (LESS 2.00 AC 374-89 NS-125-D-1) EXCEPTING THEREFROM ANY PORTION LYING WITHIN THE BOUNDS OF A COUNTY RD ON THE W BAL 2.05 AC M261-346-347 M157-520

1450-1456 1945-1079 1991-933

BALANCE DUE: \$4,736.61 **Name of Buyer Clint or Kerri Wilde**
Final Accepted Bid \$17,500.00 **Address 1745 S. West Hoytsville Rd**
Sale Cost: \$225.00 **Wanship, Utah 84017**
Balance \$12,538.39 **Telephone 435-659-6295**

BID #9

Name M&M FINANCE LLC
Address 9176 S 300 W #2 SANDY, UT 84070
Parcel Number: PALSDDS-61
Situs Address: 6894 CODY TRL

Legal: LOT 61 THE PALISADES SUBDIVISION; ACCORDING TO THE OFFICIAL PLAT ON FILE IN THE SUMMIT COUNTY RECORDERS OFFICE CONT 52,705 SQ FT OR 1.21 AC TOGETHER WITH AN EQUAL % INT IN THE COMMON AREA 1861-1179

BALANCE DUE: \$24,739.68 **Name of Buyer Jennings Holdings, LLC**
Final Accepted Bid \$135,000.00 **Address 5116 Silver Springs**
Sale cost: \$225.00
Balance \$110,035.32 **Telephone 435-731-0305**

BID #28

Name MCINTOSH MILL LTD
Address PO BOX 1330 PARK CITY, UT 84060-1330
Parcel Number: SA-398

Legal: BEG AT A PT N 493.02 FT & W 642.94 FT FR TH SW COR OF THE SE1/4 OF THE NE1/4 OF SEC 16T2SR4E,SLBM, SD PT IS ALSO LOCATED S 28*50'00" E 65.51 FT & N 54*01'01" E 21.68 FT FR THE SURVEY MONUMENT LOCATED AT THE INT/SEC OF PARK AVE & 9TH STREET;& RUN TH ALG THE E LINE OF PARK AVE N28*50'00" W 65.52 FT; TH ALG THE E LINE OF PARK AVE N 23*29'13" W 15.36 FT; THS 59*41'36" E 11.10 FT TO A PT ON A 15.0 FT RAD CUR TO THE LEFT, WHOSE RAD PT BEARS N 54*05'49" E; TH ALG THE ARC OF SD CUR 22.34 FT THRU A CENTRAL ANGLE OF 85*20'49"; TH N 58*45'00" E 72.49 FT; TH S 26*45'59" E 19.62 FT; TH S 13*18'00" E 32.00 FT TO A PT WH IS 50 FT S'LY AT RIGHT ANGLES FR TH N LINE OF BLK 53, SNYDERS ADDITION TO THE PAR CITY SURVEY; TH S 54*01'00" W 86.46 FT TO THE PT OF BEG. (THE BASIS OF BEARING FOR THE ABOVE DESC IS

AFTER RECORDING RETURN TO:

KIRSI HANSEN
PUBLIC FINANCIAL SERVICES
ZIONS FIRST NATIONAL BANK
ONE SOUTH MAIN STREET, 17TH FLOOR
SALT LAKE CITY, UT 84133

LEASE/PURCHASE AGREEMENT

Dated as of March 22, 2012

by and between

ZIONS FIRST NATIONAL BANK,
as Lessor

and

NORTH SUMMIT FIRE PROTECTION DISTRICT,
as Lessee

TABLE OF CONTENTS

<p>ARTICLE I 2</p> <p style="padding-left: 20px;">SECTION 1.1 Definitions and Rules of Construction 2</p> <p style="padding-left: 20px;">SECTION 1.2 Exhibits 4</p> <p>ARTICLE II 4</p> <p style="padding-left: 20px;">SECTION 2.1 Representations, Covenants and Warranties of the Lessee 4</p> <p style="padding-left: 20px;">SECTION 2.2 Representations, Covenants and Warranties of the Bank 10</p> <p>ARTICLE III 10</p> <p style="padding-left: 20px;">SECTION 3.1 Lease 10</p> <p style="padding-left: 20px;">SECTION 3.2 Term 11</p> <p style="padding-left: 20px;">SECTION 3.3 Termination 12</p> <p style="padding-left: 20px;">SECTION 3.4 Lease Payments 12</p> <p style="padding-left: 20px;">SECTION 3.5 Possession and Sublease of Leased Property Upon Termination. 12</p> <p style="padding-left: 20px;">SECTION 3.6 No Withholding. 13</p> <p style="padding-left: 20px;">SECTION 3.7 Lease Payments to Constitute a Current Obligation of the Lessee. 13</p> <p style="padding-left: 20px;">SECTION 3.8 Net Lease. 13</p> <p style="padding-left: 20px;">SECTION 3.9 Offset. 13</p> <p>ARTICLE IV 13</p> <p style="padding-left: 20px;">SECTION 4.1 Insurance. 13</p> <p style="padding-left: 20px;">SECTION 4.2 Damage to or Destruction of the Leased Property. 14</p> <p>ARTICLE V 14</p> <p style="padding-left: 20px;">SECTION 5.1 Use of the Leased Property 14</p> <p style="padding-left: 20px;">SECTION 5.2 Interest in the Leased Property and this Lease 14</p> <p style="padding-left: 20px;">SECTION 5.3 Maintenance, Utilities, Taxes and Assessments 15</p> <p style="padding-left: 20px;">SECTION 5.4 Modification of the Leased Property 15</p> <p style="padding-left: 20px;">SECTION 5.5 Permits 16</p> <p style="padding-left: 20px;">SECTION 5.6 Bank's Right to Perform for Lessee 16</p> <p style="padding-left: 20px;">SECTION 5.7 Bank's Disclaimer of Warranties. 16</p> <p style="padding-left: 20px;">SECTION 5.8 Indemnification. 16</p> <p style="padding-left: 20px;">SECTION 5.9 Inclusion for Consideration as Budget Item. 16</p> <p style="padding-left: 20px;">SECTION 5.10 Annual Financial Information. 17</p> <p>ARTICLE VI 17</p> <p style="padding-left: 20px;">SECTION 6.1 Assignment by the Bank 17</p>	<p style="padding-left: 20px;">SECTION 6.2 Assignment and Subleasing by the Lessee 17</p> <p>ARTICLE VII 17</p> <p style="padding-left: 20px;">SECTION 7.1 Events of Default Defined 17</p> <p style="padding-left: 20px;">SECTION 7.2 Remedies on Default 18</p> <p style="padding-left: 20px;">SECTION 7.3 No Remedy Exclusive 18</p> <p style="padding-left: 20px;">SECTION 7.4 Agreement to Pay Attorneys' Fees and Expenses 18</p> <p style="padding-left: 20px;">SECTION 7.5 Waiver of Certain Damages 18</p> <p>ARTICLE VIII 19</p> <p style="padding-left: 20px;">SECTION 8.1 Extraordinary Prepayment From Net Proceeds 19</p> <p style="padding-left: 20px;">SECTION 8.2 Option to Purchase Financed Property. Error! Bookmark not defined.</p> <p>ARTICLE IX 19</p> <p style="padding-left: 20px;">SECTION 9.1 Notices 19</p> <p style="padding-left: 20px;">SECTION 9.2 System of Registration. 20</p> <p style="padding-left: 20px;">SECTION 9.3 Instruments of Further Assurance. 20</p> <p style="padding-left: 20px;">SECTION 9.4 Binding Effect 20</p> <p style="padding-left: 20px;">SECTION 9.5 Amendments. 20</p> <p style="padding-left: 20px;">SECTION 9.6 Section Headings. 20</p> <p style="padding-left: 20px;">SECTION 9.7 Severability. 20</p> <p style="padding-left: 20px;">SECTION 9.8 Entire Agreement. 20</p> <p style="padding-left: 20px;">SECTION 9.9 Execution in Counterparts 20</p> <p style="padding-left: 20px;">SECTION 9.10 Arbitration. 20</p> <p style="padding-left: 20px;">SECTION 9.11 Applicable Law 21</p> <p style="padding-left: 20px;">Schedule of Lease Payments.....Exhibit A</p> <p style="padding-left: 20px;">Legal Description of the Leased Property.....Exhibit B</p> <p style="padding-left: 20px;">Resolution of Governing BodyExhibit C</p> <p style="padding-left: 20px;">Opinion of Lessee's Counsel.....Exhibit D</p> <p style="padding-left: 20px;">Security Documents.....Exhibit E</p>
--	--

LEASE/PURCHASE AGREEMENT

THIS LEASE/PURCHASE AGREEMENT, dated as of March 22, 2012, by and between ZIONS FIRST NATIONAL BANK, a national banking association duly organized and existing under the laws of the United States of America, as lessor (the "Bank"), and North Summit Fire Protection District (the "Lessee"), a public agency of the State of Utah (the "State"), duly organized and existing under the Constitution and laws of the State, as lessee;

WITNESSETH:

WHEREAS, the Lessee desires to finance the acquisition and/or construction of the real property and/or improvements, and/or the acquisition of the equipment described as the "Financed Property" in Exhibit B (the "Financed Property") by entering into this Lease/Purchase Agreement with the Bank (the "Lease"); and

WHEREAS, the Lessee owns the real property and/or improvements, if any, described as the "Existing Property" in Exhibit B upon which the Financed Property is to be constructed and/or located (the "Existing Property"); and

WHEREAS, the Lessee agrees to lease the Existing Property, if any, to the Bank upon the terms and conditions set forth in this Lease; and

WHEREAS, the Bank agrees to sublease the Existing Property, if any, back to the Lessee, and to lease the Financed Property to the Lessee (the Existing Property, if any, and the Financed Property sometimes being referred to collectively herein as the "Leased Property"), upon the terms and conditions set forth in this Lease, with rental to be paid by the Lessee equal to the Lease Payments hereunder; and

WHEREAS, it is the intent of the parties that the original term of this Lease, and any subsequent renewal terms, shall not exceed 12 months, and that the payment obligation of the Lessee shall not constitute a general obligation under State law; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Lease;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

SECTION 1.1 Definitions and Rules of Construction. Unless the context otherwise requires, the capitalized terms used herein shall, for all purposes of this Lease, have the meanings specified in the definitions below. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Lease, refer to this Lease as a whole.

"Advance" shall have the meaning set forth in Section 2.1(l)(i)(D) hereof.

"Bank" shall have the meaning set forth in the Preamble hereof.

"Business Day" means any day except a Saturday, Sunday, or other day on which banks in Salt Lake City, Utah or the State are authorized to close.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commencement Date" means the date this Lease is executed by the Bank and the Lessee.

"Environmental Law" means all federal, state or local laws, statutes, regulations, ordinances and other provisions having the force or effect of law, all judicial and administrative orders and determinations, all contractual obligations and all common law relating to public health and safety, worker health and safety, pollution, the environment, wetlands, the preservation and reclamation of natural resources or waste management, including without limitation all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of any hazardous materials, substances or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, solvents, urea formaldehyde, dioxins, polychlorinated biphenyls, noise or radiation, each as amended and as now or hereafter in effect. The term Environmental Law shall include (by way of illustration rather than limitation) the Clean Water Act, 33 U.S.C. Section 1251, et seq., the Clean Air Act, 42 U.S.C. Section 7401, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., the Toxic Substances Control Act, 15 U.S.C. Section 2601, et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. Section 135, et seq., and the Hazardous Materials Transportation Act, 39 U.S.C. Section 1801, et seq. and any regulations, guidelines, directives or other interpretations of any such enactment, all as amended from time to time.

"Event of Nonappropriation" shall have the meaning set forth in Section 3.2 hereof.

"Existing Property" shall have the meaning set forth in the Whereas clauses hereof.

"Existing Property Limited Lease Purposes" shall have the meaning set forth in Section 3.1(a) hereof.

"Existing Property Limited Lease Purposes Rental Value" shall have the meaning set forth in Section 3.1(a) hereof.

“Financed Property” shall have the meaning set forth in the Whereas clauses hereof.

“Governing Body” means the governing body of the Lessee.

“Hazardous Materials” means any hazardous, dangerous or toxic chemical, waste, byproduct, pollutant, contaminant, compound, product or substance the manufacture, storage, transport, generation, use, treatment, exposure to, release, threatened release, discharge, remediation, cleanup, abatement, removal, possession, recycling, disposal or other disposition of which is prohibited or regulated (including without limitation, being subjected to notice, reporting, record keeping, or clean-up requirements) by any Environmental Law.

“Lease Payments” means the rental payments described in Exhibit A hereto.

“Lease Payment Date” shall have the meaning set forth in Section 3.4(a) hereof.

“Leased Property” shall have the meaning set forth in the Whereas clauses hereof.

“Lessee” shall have the meaning set forth in the Preamble hereof.

“Net Proceeds” means insurance or eminent domain proceeds received with respect to the Leased Property less expenses incurred in connection with the collection of such proceeds.

“Obligation Instrument” shall have the meaning set forth in Section 2.1(c) hereof.

“Original Term” shall have the meaning set forth in Section 3.2 hereof.

“Permitted Encumbrances” means, as of any particular time: (i) liens for taxes and assessments, if any, not then delinquent, or which the Lessee may, pursuant to provisions of Section 5.3 hereof, permit to remain unpaid; (ii) this Lease; (iii) any contested right or claim of any mechanic, laborer, materialman, supplier or vendor filed or perfected in the manner prescribed by law to the extent permitted under Section 5.4(b) hereof; (iv) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the execution date of this Lease and which the Lessee hereby certifies will not materially impair the use of the Leased Property by the Lessee; and (v) other rights, reservations, covenants, conditions or restrictions established following the date of execution of this Lease and to which the Bank and the Lessee consent in writing.

“Rebate Exemption” shall have the meaning set forth in Section 2.1(I)(ii)(A) hereof.

“Regulations” shall have the meaning set forth in Section 2.1(I)(i) hereof.

“Renewal Term” shall have the meaning set forth in Section 3.2 hereof.

“Scheduled Term” shall have the meaning set forth in Section 3.2 hereof.

“State” shall have the meaning set forth in the Preamble hereof.

“Term” or “Term of this Lease” means the Original Term and all Renewal Terms provided for in this Lease under Section 3.2 until this Lease is terminated as provided in Section 3.3 hereof.

SECTION 1.2 Exhibits. Exhibits A, B, C, D and E attached to this Lease are by this reference made a part of this Lease.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

SECTION 2.1 Representations, Covenants and Warranties of the Lessee. The Lessee represents, covenants and warrants to the Bank as follows:

(a) Due Organization and Existence. The Lessee is a public agency of the State duly organized and existing under the Constitution and laws of the State.

(b) Authorization; Enforceability. The Constitution and laws of the State authorize the Lessee to enter into this Lease and to enter into the transactions contemplated by, and to carry out its obligations under, this Lease. The Lessee has duly authorized, executed and delivered this Lease in accordance with the Constitution and laws of the State. This Lease constitutes the legal, valid and binding special obligation of the Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(c) No Conflicts or Default; Other Liens or Encumbrances. Neither the execution and delivery of this Lease nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby (i) conflicts with or results in a breach of the terms, conditions, provisions, or restrictions of any existing law, or court or administrative decree, order, or regulation, or agreement or instrument to which the Lessee is now a party or by which the Lessee is bound, **including without limitation any agreement or instrument pertaining to any bond, note, lease, certificate of participation, debt instrument, or any other obligation of the Lessee** (any such bond, note, lease, certificate of participation, debt instrument, and other obligation being referred to herein as an "Obligation Instrument"), (ii) constitutes a default under any of the foregoing, or (iii) results in the creation or imposition of any pledge, lien, charge or encumbrance whatsoever upon any of the property or assets of the Lessee, or upon the Leased Property except for Permitted Encumbrances.

By way of example, and not to be construed as a limitation on the representations set forth in the immediately preceding paragraph:

(A) no portion of the Leased Property is pledged to secure any Obligation Instrument; and

(B) the interests of the Lessor in the Leased Property hereunder do not violate the terms, conditions or provisions of any restriction or revenue pledge in any agreement or instrument pertaining to any Obligation Instrument.

If any Obligation Instrument existing on the date of execution of this Lease creates any pledge, lien, charge or encumbrance on any revenues, property or assets associated with the Existing Property and/or the Financed Property that is higher in priority to the Bank's interests therein under this Lease, the Bank hereby subordinates its interests therein, but only to the extent required pursuant to such existing Obligation Instrument.

(d) Compliance with Open Meeting Requirements. The Governing Body has complied with all applicable open public meeting and notice laws and requirements with respect to the meeting at which the Lessee's execution of this Lease was authorized.

(e) Compliance with Bidding Requirements. Either there are no procurement or public bidding laws of the State applicable to the acquisition and leasing of the Leased Property pursuant to this Lease, or the Governing Body and the Lessee have complied with all such procurement and public bidding laws as may be applicable hereto.

(f) No Adverse Litigation. There are no legal or governmental proceedings or litigation pending, or to the best knowledge of the Lessee threatened or contemplated (or any basis therefor) wherein an unfavorable decision, ruling, or finding might adversely affect the transaction contemplated in or the validity of this Lease.

(g) Opinion of Lessee's Counsel. The letter attached to this Lease as Exhibit [D] is a true opinion of Lessee's counsel.

(h) Governmental Use of Leased Property. During the Term of this Lease, the Leased Property will be used solely by the Lessee, and only for the purpose of performing one or more governmental or proprietary functions of the Lessee consistent with the permissible scope of the Lessee's authority, and the Leased Property will not be subject to any direct or indirect private business use.

(i) Other Representations and Covenants. The representations, covenants, warranties, and obligations set forth in this Article are in addition to and are not intended to limit any other representations, covenants, warranties, and obligations set forth in this Lease.

(j) No Nonappropriations. The Lessee has never non-appropriated or defaulted under any of its payment or performance obligations or covenants, either under any municipal lease of the same general nature as this Lease, or under any of its bonds, notes, or other obligations of indebtedness for which its revenues or general credit are pledged.

(k) No Legal or Environmental Violation. The Leased Property is not, and at all times during the Term of this Lease will not be in violation of any federal, state or local law, statute, ordinance or regulation, including without limitation, any Environmental Law, to the best of the Lessee's knowledge. Neither the Lessee nor, to the best of Lessee's knowledge, any third party, has used, generated, manufactured, stored or disposed of on, under or about the Leased Property or transported to or from the Leased Property any Hazardous Materials.

In the event Hazardous Materials are discovered, and must be removed or remediated, and to the extent permitted by applicable law, the Lessee hereby agrees to indemnify and hold harmless the Bank, and its directors, officers, shareholders, employees, and agents, and successors to the Bank's interest in the chain of title to the Leased Property, and their directors, officers, shareholders, employees, and agents, from and against any and all loss, claim, damages, expense or liability, including reasonable attorneys' fees and other litigation expenses, to the full extent of such action as attributable, directly or indirectly, to:

(i) the presence or use of, generation, storage, release, threatened release, or disposal of Hazardous Materials by any person on, in or under the Leased Property;

- (ii) use of the Leased Property or any part thereof as a dump site, permanent or temporary storage site or transfer station for any Hazardous Materials;
- (iii) violation of any Environmental Law affecting the Leased Property or any part thereof or any activity conducted on any part of the Leased Property; and
- (iv) any action or proceeding before any court, quasi-judicial body or administrative agency relating to the enforcement of any Environmental Law affecting the Leased Property or any part thereof or any activity conducted on any part of the Leased Property;

including, without limitation, all foreseeable and all unforeseeable consequential damages, directly or indirectly arising out of the use, generation, manufacture, storage, or disposal of Hazardous Materials, by the Lessee or any prior owner or operator of the Leased Property, including, without limitation, the cost of any required and necessary repair, cleanup, remediation, or detoxification and the preparation of any disclosure, or other required plans, whether such action is required or necessary prior to or following transfer of title to the Leased Property.

(l) General Tax and Arbitrage Representations and Covenants.

(i) The certifications and representations made by the Lessee in this Lease are intended, among other purposes, to be a certificate permitted in Section 1.148-2(b) of the Treasury Regulations promulgated pursuant to Section 148 of the Code (the "Regulations"), to establish the reasonable expectations of the Lessee at the time of the execution of this Lease made on the basis of the facts, estimates and circumstances in existence on the date hereof. The Lessee further certifies and covenants as follows:

(A) The Lessee has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as an issuer which may certify bond issues.

(B) To the best knowledge and belief of the Lessee, there are no facts, estimates or circumstances that would materially change the conclusions, certifications or representations set forth in this Lease, and the expectations herein set forth are reasonable.

(C) The Scheduled Term of this Lease does not exceed the useful life of the Financed Property, and the weighted average term of this Lease does not exceed the weighted average useful life of the Financed Property.

(D) Each advance of funds by the Bank to finance Financed Property under this Lease (each an "Advance") will occur only when and to the extent that the Lessee has reasonably determined and identified the nature, need, and cost of each item of Financed Property pertaining to such Advance.

(E) No use will be made of the proceeds of this Lease or any such Advance, or any funds or accounts of the Lessee which may be deemed to be proceeds of this Lease or any such Advance, which use, if it had been reasonably expected on the date of the execution of this Lease or of any such Advance, would have caused this Lease or any such Advance to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code.

(F) The Lessee will at all times comply with the rebate requirements of Section 148(f) of the Code as they pertain to this Lease, to the extent applicable.

(G) In order to preserve the status of this Lease and the Advances as other than "private activity bonds" as described in Sections 103(b)(1) and 141 of the Code, as long as this Lease and any such Advances are outstanding and unpaid:

(I) none of the proceeds from this Lease or the Advances or any facilities or assets financed therewith shall be used for any "private business use" as that term is used in Section 141(b) of the Code and defined in Section 141(b)(6) of the Code;

(II) the Lessee will not allow any such "private business use" to be made of the proceeds of this Lease or the Advances or any facilities or assets financed therewith; and

(III) none of the Advances or Lease Payments due hereunder shall be secured in whole or in part, directly or indirectly, by any interest in any property used in any such "private business use" or by payments in respect of such property, and shall not be derived from payments in respect of such property.

(H) The Lessee will not take any action, or omit to take any action, which action or omission would cause the interest component of the Lease Payments to be ineligible for the exclusion from gross income as provided in Section 103 of the Code.

(I) The Lessee is a "governmental unit" within the meaning of Section 141(b)(6) of the Code.

(J) The obligations of the Lessee under this Lease are not federally guaranteed within the meaning of Section 149(b) of the Code.

(K) This Lease and the Advances to be made pursuant hereto will not reimburse the Lessee for any expenditures incurred prior to the date of this Lease and do not constitute a "refunding issue" as defined in Section 1.150-1(d) of the Regulations, and no part of the proceeds of this Lease or any such Advances will be used to pay or discharge any obligations of the Lessee the interest on which is or purports to be excludable from gross income under the Code or any predecessor provision of law.

(L) In compliance with Section 149(e) of the Code relating to information reporting, the Lessee will file or cause to be filed with the Internal Revenue Service Center, Ogden, UT 84201, within fifteen (15) days from the execution of this Lease, IRS Form 8038-G or 8038-GC, as appropriate, reflecting the total aggregate amount of Advances that can be made pursuant to this Lease.

(M) None of the proceeds of this Lease or the Advances to be made hereunder will be used directly or indirectly to replace funds of the Lessee used

directly or indirectly to acquire obligations at a yield materially higher than the yield on this Lease or otherwise invested in any manner. No portion of the Advances will be made for the purpose of investing such portion at a materially higher yield than the yield on this Lease.

(N) Inasmuch as Advances will be made under this Lease only when and to the extent the Lessee reasonably determines, identifies and experiences the need therefor, and will remain outstanding and unpaid only until such time as the Lessee has moneys available to repay the same, the Lessee reasonably expects that (I) the Advances will not be made sooner than necessary; (II) no proceeds from the Advances will be invested at a yield higher than the yield on this Lease; and (III) the Advances and this Lease will not remain outstanding and unpaid longer than necessary.

(O) The Lessee will either (i) spend all of the moneys advanced pursuant to this Lease immediately upon receipt thereof, without investment, on the portion of the Financed Property that is to be financed thereby; or (ii) invest such moneys at the highest yield allowable and practicable under the circumstances until they are to be spent on the portion of the Financed Property that is to be financed thereby, and track, keep records of, and pay to the United States of America, all rebatable arbitrage pertaining thereto, at the times, in the amounts, in the manner, and to the extent required under Section 148(f) of the Code and the Treasury Regulations promulgated in connection therewith. At least five percent (5%) of the total amount of moneys that are expected to be advanced pursuant to this Lease are reasonably expected to have been expended on the Financed Property within six (6) months from the date of this Lease. All moneys to be advanced pursuant to this Lease are reasonably expected to have been expended on the Financed Property no later than the earlier of: (I) the date twelve (12) months from the date such moneys are advanced; and (II) the date three (3) years from the date of this Lease.

(P) This Lease and the Advances to be made hereunder are not and will not be part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the regulations promulgated in connection therewith (I) enabling the Lessee to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (II) overburdening the tax-exempt bond market, as those terms are used in Section 1.148-10(a)(2) of the Regulations.

(Q) To the best of the knowledge, information and belief of the Lessee, the above expectations are reasonable. On the basis of the foregoing, it is not expected that the proceeds of this Lease and the Advances to be made hereunder will be used in a manner that would cause this Lease or such Advances to be "arbitrage bonds" under Section 148 of the Code and the regulations promulgated thereunder, and to the best of the knowledge, information and belief of the Lessee, there are no other facts, estimates or circumstances that would materially change the foregoing conclusions.

(ii) Arbitrage Rebate Under Section 148(f) of the Code. With respect to the arbitrage rebate requirements of Section 148(f) of the Code, either (check applicable box):

(A) Lessee Qualifies for Small Issuer Exemption from Arbitrage Rebate. The Lessee hereby certifies and represents that it qualifies for the exception contained in Section 148(f)(4)(D) of the Code from the requirement to rebate arbitrage earnings from investment of proceeds of the Advances made under this Lease (the "Rebate Exemption") as follows:

(1) The Lessee has general taxing powers.

(2) Neither this Lease, any Advances to be made hereunder, nor any portion thereof are private activity bonds as defined in Section 141 of the Code ("Private Activity Bonds").

(3) Ninety-five percent (95%) or more of the net proceeds of the Advances to be made hereunder are to be used for local government activities of the Lessee (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Lessee).

(4) Neither the Lessee nor any aggregated issuer has issued or is reasonably expected to issue any tax-exempt obligations other than Private Activity Bonds (as those terms are used in Section 148(f)(4)(D) of the Code) during the current calendar year, including the Advances to be made hereunder, which in the aggregate would exceed \$5,000,000 in face amount, or \$15,000,000 in face amount for such portions, if any, of any tax-exempt obligations of the Lessee and any aggregated issuer as are attributable to construction of public school facilities within the meaning of Section 148(f)(4)(D)(vii) of the Code.

For purposes of this Section, "aggregated issuer" means any entity which (a) issues obligations on behalf of the Lessee, (b) derives its issuing authority from the Lessee, or (c) is subject to substantial control by the Lessee.

The Lessee hereby certifies and represents that it has not created, does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 148(f)(4)(D)(i)(IV) of the Code.

Accordingly, the Lessee will qualify for the Rebate Exemption granted to governmental units issuing less than \$5,000,000 under Section 148(f)(4)(D) of the Code (\$15,000,000 for the financing of public school facilities construction as described above), and the Lessee shall be treated as meeting the requirements of Paragraphs (2) and (3) of Section 148(f) of the Code relating to the required rebate of arbitrage earnings to the United States with respect to this Lease and the Advances to be made hereunder.

- or -

(B) Lessee Will Keep Records of and Will Rebate Arbitrage. The

Lessee does not qualify for the small issuer Rebate Exemption described above, and the Lessee hereby certifies and covenants that it will account for, keep the appropriate records of, and pay to the United States, the rebate amount, if any, earned from the investment of gross proceeds of this Lease and the Advances to be made hereunder, at the times, in the amounts, and in the manner prescribed in Section 148(f) of the Code and the applicable Regulations promulgated with respect thereto.

(m) Small Issuer Exemption from Bank Nondeductibility Restriction. Based on the following representations of the Lessee, the Lessee hereby designates this Lease and the interest components of the Lease Payments hereunder as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code: (i) this Lease and the Lease Payments hereunder are not private activity bonds within the meaning of Section 141 of the Code; (ii) the Lessee reasonably anticipates that it, together with all "aggregated issuers," will not issue during the current calendar year obligations (other than those obligations described in clause (iii) below) the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code which, when aggregated with this Lease, will exceed an aggregate principal amount of \$10,000,000; (iii) and notwithstanding clause (ii) above, the Lessee and its aggregated issuers may have issued in the current calendar year and may continue to issue during the remainder of the current calendar year private activity bonds other than qualified 501(c)(3) bonds as defined in Section 145 of the Code. For purposes of this subsection, "aggregated issuer" means any entity which (a) issues obligations on behalf of the Lessee, (b) derives its issuing authority from the Lessee, or (c) is subject to substantial control by the Lessee. The Lessee hereby certifies and represents that it has not created, does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code.

SECTION 2.2 Representations, Covenants and Warranties of the Bank. The Bank is a national banking association, duly organized, existing and in good standing under and by virtue of the laws of the United States of America, has the power to enter into this Lease, is possessed of full power to own and hold real and personal property, and to lease and sell the same, and has duly authorized the execution and delivery of this Lease. This Lease, constitutes the legal, valid and binding obligation of the Bank, enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

ARTICLE III

AGREEMENT TO LEASE; TERM OF LEASE; LEASE PAYMENTS

SECTION 3.1 Lease.

(a) Lease of Existing Property to Bank. The Lessee hereby leases the Existing Property, if any, to the Bank, for the sole purpose, and to the limited extent necessary, to provide access, ingress, egress, support, and/or parking, to, from, and for the Financed Property (the "Existing Property Limited Lease Purposes"). The Bank shall pay annually, to the Lessee, as rental for the Existing Property, the fair rental value of the Existing Property Limited Lease Purposes (the "Existing Property Limited Lease Purposes Rental Value"), plus the sum of \$1.00.

For the sake of the Lessee's ease and convenience, for so long as the Lessee subleases the Existing Property from the Bank under Section 3.1(b) below:

(i) the subrental payment due under Section 3.1(b) from the Lessee to the Bank, for the Lessee's subrental of the Existing Property from the Bank; and

(ii) the rental payment (in excess of \$1.00) due under this Section 3.1(a) from the Bank to the Lessee, for the Bank's rental of the Existing Property from the Lessee;

both such amounts being equal to the Existing Property Limited Lease Purposes Rental Value, shall be netted against each other, and both of such payments shall be deemed to have occurred simultaneously, leaving the balance of \$1.00 net to be paid by the Bank to the Lessee annually for the limited rental of the Existing Property pursuant to this Section 3.1(a); provided, however, that the Bank shall continue to pay the Existing Property Limited Lease Purposes Rental Value to the Lessee as the annual lease payment for the limited rental of the Existing Property under this Section 3.1(a) in the event the Bank subleases the Existing Property to other parties as provided herein; and further provided that in the Event of Nonappropriation of Lease Payments as provided in Section 3.5, or an event of default hereunder, as provided in Section 7.2, the Bank may take possession of the Existing Property and sublease the Existing Property to other parties solely for the Existing Property Limited Lease Purposes as provided in Section 3.5.

(b) Sublease of Existing Property, if any, and Lease of Financed Property to Lessee. The Bank hereby subleases the Existing Property, if any, to the Lessee for an annual rental that the Lessee hereby agrees to pay to the Bank equal to the Existing Property Limited Lease Purposes Rental Value described in Section 3.1(a), and leases the Financed Property to the Lessee for a rental that the Lessee hereby agrees to pay to the Bank at the times and in the amounts described in Section 3.4, and the Lessee hereby leases the Leased Property from the Bank, upon the terms and conditions set forth herein. This Lease shall not operate as a merger of the Lessee's leasehold estate in the Financed Property pursuant to this Lease and its fee estate in the Existing Property and shall not cause the extinguishment of the leasehold interest in the Existing Property granted to the Bank under Section 3.1(a).

Concurrently with its execution of this Lease, the Lessee shall deliver to the Bank fully completed documents substantially in the forms attached hereto as Exhibits B, C, D and E hereto.

SECTION 3.2 Term. The Term of this Lease shall commence on the date of execution of this Lease, including delivery to the Bank by the Lessee of fully completed documents in the forms set forth in Exhibits B, C, D and E attached hereto, and continue until the end of the fiscal year of Lessee in effect at the Commencement Date (the "Original Term"). Thereafter, this Lease will be extended for 5 successive additional periods of one year coextensive with Lessee's fiscal year, except for the last such period which may be less than a full fiscal year, (each, a "Renewal Term") subject to an Event of Nonappropriation as described herein below in this Section 3.2 and in Section 3.3(a), with the final Renewal Term ending on March 22, 2017, unless this Lease is terminated as hereinafter provided. The Original Term together with all scheduled Renewal Terms shall be referred to herein as the "Scheduled Term" irrespective of whether this Lease is terminated for any reason prior to the scheduled commencement or termination of any Renewal Term as provided herein. The lease of the Existing Property, if any, to the Bank pursuant to Section 3.1(a) shall have a term equal to the Term of this Lease unless this Lease is terminated pursuant to Section 3.3(a) or (c) in which case the term of the lease to the Bank of the Existing Property shall extend for the Scheduled Term plus an additional term equal to the shorter of: (i) the maximum term permitted by applicable State law; or (ii) ten (10) years.

If Lessee does not appropriate funds for the payment of Lease Payments due for any Renewal Term in the adopted budget of the Lessee for the applicable fiscal year (an "Event of Nonappropriation"), this Lease will terminate upon the expiration of the Original or Renewal Term then in effect and Lessee shall notify Bank of such termination at least ten (10) days prior to the expiration of the Original or Renewal Term then in effect.

SECTION 3.3 Termination. This Lease will terminate upon the earliest of any of the following events; provided that in the event of termination pursuant to paragraphs (a) or (c) below, the lease of the Existing Property, if any, to the Bank pursuant to Section 3.1(a) shall continue in full force and effect:

(a) upon the expiration of the Original Term or any Renewal Term of this Lease following an Event of Nonappropriation;

(b) the exercise by Lessee of any option to purchase granted in this Lease by which Lessee purchases all of the Financed Property;

(c) a default by Lessee and Bank's election to terminate this Lease under Article VII herein; or

(d) the expiration of the Scheduled Term of this Lease, the Lessee having made payment of all Lease Payments accrued to such date.

SECTION 3.4 Lease Payments.

(a) Time and Amount. During the Term of this Lease and so long as this Lease has not terminated pursuant to Section 3.3, in addition to the annual Existing Property Limited Lease Purposes Rental Value to be paid by the Lessee to the Bank for the sublease by the Lessee of the Existing Property from the Bank pursuant to Section 3.1(a), the Lessee agrees to pay to the Bank, its successors and assigns, as annual rental for the use and possession of the Financed Property, the Lease Payments (denominated into components of principal and interest) in the amounts specified in Exhibit A, to be due and payable in arrears on each payment date identified in Exhibit A (or if such day is not a Business Day, the next succeeding Business Day) specified in Exhibit A (the "Lease Payment Date").

(b) Rate on Overdue Payments. In the event the Lessee should fail to make any of the Lease Payments required in this Section, the Lease Payment in default shall continue as an obligation of the Lessee until the amount in default shall have been fully paid, and the Lessee agrees to pay the same with interest thereon, to the extent permitted by law, from the date such amount was originally payable at the rate equal to the original interest rate payable with respect to such Lease Payments.

(c) Additional Payments. Any additional payments required to be made by the Lessee hereunder, including but not limited to Sections 4.1, 5.3, and 7.4 of this Lease, shall constitute additional rental for the Leased Property.

SECTION 3.5 Possession and Sublease of Leased Property Upon Termination. Upon termination of this Lease pursuant to Sections 3.3(a) or 3.3(c), the Lessee shall transfer the Financed Property to the Bank in such manner as may be specified by the Bank, and the Bank shall have the right to take possession of the Financed Property by virtue of the Bank's ownership interest as lessor of the Financed Property, and to take possession of the Existing Property by virtue of the Bank's leasehold

interest in the Existing Property under Section 3.1(a) and at the Bank's discretion, sublease the Existing Property to another entity for a term not to exceed the Scheduled Term plus an additional term as provided in Section 3.2 hereof; provided, however, that in such event, the Bank's use of the Existing Property, if any, shall be solely for the Existing Property Limited Lease Purposes described in Section 3.1(a) and the Bank will pay to the Lessee the annual Existing Property Limited Lease Purposes Rental Value described in Section 3.1(a) for such minimal use of the Existing Property during the term of such use.

To the extent the Financed Property is equipment or fixtures, the Lessee at the Bank's direction shall ship such Financed Property to the destination designated by the Bank by loading such Financed Property at the Lessee's cost and expense, on board such carrier as the Bank shall specify.

SECTION 3.6 No Withholding. Notwithstanding any dispute between the Bank and the Lessee in connection with this Lease or otherwise, including a dispute as to the failure of any portion of the Leased Property in use by or possession of the Lessee to perform the task for which it is leased, the Lessee shall make all Lease Payments when due and shall not withhold any Lease Payments pending the final resolution of such dispute.

SECTION 3.7 Lease Payments to Constitute a Current Obligation of the Lessee. Notwithstanding any other provision of this Lease, the Lessee and the Bank acknowledge and agree that the obligation of the Lessee to pay Lease Payments hereunder constitutes a current special obligation of the Lessee payable exclusively from current and legally available funds and shall not in any way be construed to be an indebtedness of the Lessee within the meaning of any constitutional or statutory limitation or requirement applicable to the Lessee concerning the creation of indebtedness. The Lessee has not hereby pledged the general tax revenues or credit of the Lessee to the payment of the Lease Payments, or the interest thereon, nor shall this Lease obligate the Lessee to apply money of the Lessee to the payment of Lease Payments beyond the then current Original Term or Renewal Term, as the case may be, or any interest thereon.

SECTION 3.8 Net Lease. This Lease shall be deemed and construed to be a "net-net-net lease" and the Lessee hereby agrees that the Lease Payments shall be an absolute net return to the Bank, free and clear of any expenses, charges or set-offs whatsoever, except as expressly provided herein.

SECTION 3.9 Offset. Lease Payments or other sums payable by Lessee pursuant to this Lease shall not be subject to set-off, deduction, counterclaim or abatement and Lessee shall not be entitled to any credit against such Lease Payments or other sums for any reason whatsoever, including, but not limited to: (i) any accident or unforeseen circumstances; (ii) any damage or destruction of the Leased Property or any part thereof; (iii) any restriction or interference with Lessee's use of the Leased Property; (iv) any defects, breakdowns, malfunctions, or unsuitability of the Leased Property or any part thereof; or (v) any dispute between the Lessee and the Bank, any vendor or manufacturer of any part of the Leased Property, or any other person.

ARTICLE IV

INSURANCE

SECTION 4.1 Insurance. Lessee, at Bank's option, will either self insure, or at Lessee's cost, will cause casualty insurance, public liability insurance, and property damage insurance to be carried and maintained on the Leased Property, with all such coverages to be in such amounts sufficient to cover the value of the Leased Property at the commencement of this Lease (as determined by the purchase price

paid for the Leased Property), and to be in such forms, to cover such risks, and with such insurers, as are customary for public entities such as the Lessee. A combination of self-insurance and policies of insurance may be utilized. If policies of insurance are obtained, Lessee will cause Bank to be the named insured on such policies as its interest under this Lease may appear. Subject to Section 4.2, insurance proceeds from insurance policies or budgeted amounts from self-insurance as relating to casualty and property damage losses will, to the extent permitted by law, be payable to Bank in an amount equal to the then outstanding principal and accrued interest components of the Lease Payments at the time of such damage or destruction as provided by Section 8.1. Lessee will deliver to Bank the policies or evidences of insurance satisfactory to Bank, if any, together with receipts for the initial premiums before the Leased Property is delivered to Lessee. Renewal policies, if any together with receipts showing payment of the applicable premiums will be delivered to Bank at least thirty (30) days before termination of the policies being renewed. By endorsement upon the policy or by independent instrument furnished to Bank, such insurer will agree that it will give Bank at least thirty (30) days' written notice prior to cancellation or alteration of the policy. Lessee will carry workmen's compensation insurance covering all employees working on, in, or about the Leased Property, and will require any other person or entity working on, in, or about the Leased Property to carry such coverage, and will furnish to Bank certificates evidencing such coverages throughout the Term of this Lease.

SECTION 4.2 Damage to or Destruction of the Leased Property. If all or any part of the Leased Property is lost, stolen, destroyed, or damaged, Lessee will give Bank prompt notice of such event and will, to the extent permitted by law, repair or replace the same at Lessee's cost. If such lost, stolen, destroyed or damaged Leased Property is equipment, it shall be repaired or replaced within thirty (30) days after such event. If such lost, stolen, destroyed or damaged Leased Property is other than equipment, it shall be repaired or replaced within one hundred eighty (180) days after such event. Any replaced Leased Property will be substituted in this Lease by appropriate endorsement. All insurance proceeds received by Bank under the policies required under Section 4.1 with respect to the Leased Property lost, stolen, destroyed, or damaged, will be paid to Lessee if the Leased Property is repaired or replaced by Lessee as required by this Section. If Lessee fails or refuses to make the required repairs or replacement, such proceeds will be paid to Bank to the extent of the then remaining portion of the Lease Payments to become due during the Scheduled Term of this Lease less that portion of such Lease Payments attributable to interest which will not then have accrued as provided in Section 8.1. No loss, theft, destruction, or damage to the Leased Property will impose any obligation on Bank under this Lease, and this Lease will continue in full force and effect regardless of such loss, theft, destruction, or damage. Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss, theft, destruction, or damage to the Leased Property and for injuries or deaths of persons and damage to property however arising, whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such damage to property be to Lessee's property or to the property of others.

ARTICLE V

COVENANTS

SECTION 5.1 Use of the Leased Property. The Lessee represents and warrants that it has an immediate and essential need for the Leased Property to carry out and give effect to the public purposes of the Lessee, which need is not temporary or expected to diminish in the foreseeable future, and that it expects to make immediate use of all of the Leased Property.

SECTION 5.2 Interest in the Leased Property and this Lease. The Bank does and shall hold a leasehold interest in the Existing Property. Upon expiration of the Term as provided in Section 3.3(b) or

3.3(d) hereof, all right, title and interest of the Bank in and to all of the Leased Property shall be transferred to and vest in the Lessee, without the necessity of any additional document of transfer.

SECTION 5.3 Maintenance, Utilities, Taxes and Assessments.

(a) Maintenance; Repair and Replacement. Throughout the Term of this Lease, as part of the consideration for the rental of the Leased Property, all repair and maintenance of the Leased Property shall be the responsibility of the Lessee, and the Lessee shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property excepting ordinary wear and tear, and the Lessee hereby covenants and agrees that it will comply with all vendors' and manufacturers' maintenance and warranty requirements pertaining to the Leased Property. In exchange for the Lease Payments herein provided, the Bank agrees to provide only the Leased Property, as hereinbefore more specifically set forth.

(b) Tax and Assessments; Utility Charges. The Lessee shall also pay or cause to be paid all taxes and assessments, including but not limited to utility charges, of any type or nature charged to the Lessee or levied, assessed or charged against any portion of the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

(c) Contests. The Lessee may, at its expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided that prior to such nonpayment it shall furnish the Bank with the opinion of an independent counsel acceptable to the Bank to the effect that, by nonpayment of any such items, the interest of the Bank in such portion of the Leased Property will not be materially endangered and that the Leased Property will not be subject to loss or forfeiture. Otherwise, the Lessee shall promptly pay such taxes, assessments or charges or make provisions for the payment thereof in form satisfactory to the Bank.

SECTION 5.4 Modification of the Leased Property.

(a) Additions, Modifications and Improvements. The Lessee shall, at its own expense, have the right to make additions, modifications, and improvements to any portion of the Leased Property if such improvements are necessary or beneficial for the use of such portion of the Leased Property. All such additions, modifications and improvements shall thereafter comprise part of the Leased Property and be subject to the provisions of this Lease. Such additions, modifications and improvements shall not in any way damage any portion of the Leased Property or cause it to be used for purposes other than those authorized under the provisions of State and federal law or in any way which would impair the exclusion from gross income for federal income tax purposes of the interest components of the Lease Payments; and the Leased Property, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is not substantially less than the value of the Leased Property immediately prior to the making of such additions, modifications and improvements.

(b) No Liens. Except for Permitted Encumbrances, the Lessee will not permit (i) any liens or encumbrances to be established or remain against the Leased Property or (ii) any

mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any additions, modifications or improvements made by the Lessee pursuant to this Section; provided that if any such mechanic's lien is established and the Lessee shall first notify or cause to be notified the Bank of the Lessee's intention to do so, the Lessee may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Bank with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Bank. The Bank will cooperate fully in any such contest.

SECTION 5.5 Permits. The Lessee will provide all permits and licenses necessary for the ownership, possession, operation, and use of the Leased Property, and will comply with all laws, rules, regulations, and ordinances applicable to such ownership, possession, operation, and use. If compliance with any law, rule, regulation, ordinance, permit, or license requires changes or additions to be made to the Leased Property, such changes or additions will be made by the Lessee at its own expense.

SECTION 5.6 Bank's Right to Perform for Lessee. If the Lessee fails to make any payment or to satisfy any representation, covenant, warranty, or obligation contained herein or imposed hereby, the Bank may (but need not) make such payment or satisfy such representation, covenant, warranty, or obligation, and the amount of such payment and the expense of any such action incurred by the Bank, as the case may be, will be deemed to be additional rent payable by the Lessee on the Bank's demand.

SECTION 5.7 Bank's Disclaimer of Warranties. The Bank has played no part in the selection of the Financed Property, the Lessee having selected the Financed Property independently from the Bank. The Bank, at the Lessee's request, has acquired or arranged for the acquisition of the Financed Property and shall lease the same to the Lessee as herein provided, the Bank's only role being the facilitation of the financing of the Financed Property for the Lessee. THE BANK MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE LESSEE OF THE LEASED PROPERTY, OR ANY PORTION THEREOF. THE LESSEE ACKNOWLEDGES THAT THE BANK IS NOT A MANUFACTURER OR VENDOR OF ALL OR ANY PORTION OF THE LEASED PROPERTY, AND THAT THE LESSEE IS LEASING THE LEASED PROPERTY AS IS. In no event shall the Bank be liable for incidental, direct, indirect, special or consequential damages, in connection with or arising out of this Lease, for the existence, furnishing, functioning or Lessee's use and possession of the Leased Property.

SECTION 5.8 Indemnification. To the extent permitted by applicable law, the Lessee hereby agrees to indemnify and hold harmless the Bank, its directors, officers, shareholders, employees, agents, and successors from and against any loss, claim, damage, expense, and liability resulting from or attributable to the acquisition, construction, or use of the Leased Property. Notwithstanding the foregoing, the Bank shall not be indemnified for any liability resulting from the gross negligence or willful misconduct of the Bank.

SECTION 5.9 Inclusion for Consideration as Budget Item. During the Term of this Lease, the Lessee covenants and agrees that it shall give due consideration, in accordance with applicable law, as an item for expenditure during its annual budget considerations, of an amount necessary to pay Lease Payments for the Leased Property during the next succeeding Renewal Term. Nothing herein shall be construed to direct or require that Lessee take or direct that any legislative act be done, or that the Governing Body of Lessee improperly or unlawfully delegate any of its legislative authority.

SECTION 5.10 Annual Financial Information. During the Term of this Lease, the Lessee covenants and agrees to provide the Bank as soon as practicable when they are available: (i) a copy of the Lessee's final annual budget for each fiscal year; (ii) a copy of the Lessee's most recent financial statements; and (iii) any other financial reports the Bank may request from time to time.

ARTICLE VI

ASSIGNMENT AND SUBLEASING

SECTION 6.1 Assignment by the Bank. The parties hereto agree that all rights of Bank hereunder may be assigned, transferred or otherwise disposed of, either in whole or in part, including without limitation transfer to a trustee pursuant to a trust arrangement under which the trustee issues certificates of participation evidencing undivided interests in this Lease and/or the rights to receive Lease Payments hereunder, provided that notice of any such assignment, transfer or other disposition is given to Lessee.

SECTION 6.2 Assignment and Subleasing by the Lessee. The Lessee may not assign this Lease or sublease all or any portion of the Leased Property unless both of the following shall have occurred: (i) the Bank shall have consented to such assignment or sublease; and (ii) the Bank shall have received assurance acceptable to the Bank that such assignment or sublease: (A) is authorized under applicable state law, (B) will not adversely affect the validity of this Lease, and (C) will not adversely affect the exclusion from gross income for federal income tax purposes of the interest components of the Lease Payments.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

SECTION 7.1 Events of Default Defined. The following shall be "events of default" under this Lease and the terms "events of default" and "default" shall mean, whenever they are used in this Lease, any one or more of the following events:

(a) Payment Default. Failure by the Lessee to pay any Lease Payment required to be paid hereunder by the corresponding Lease Payment Date.

(b) Covenant Default. Failure by the Lessee to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto other than as referred to in clause (a) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the Lessee by the Bank; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Bank shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected.

(c) Bankruptcy or Insolvency. The filing by the Lessee of a case in bankruptcy, or the subjection of any right or interest of the Lessee under this Lease to any execution, garnishment or attachment, or adjudication of the Lessee as a bankrupt, or assignment by the Lessee for the benefit of creditors, or the entry by the Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the

Lessee in any proceedings instituted under the provisions of the federal bankruptcy code, as amended, or under any similar act which may hereafter be enacted.

The foregoing provisions of this Section 7.1 are subject to the provisions of Section 3.2 hereof with respect to nonappropriation.

SECTION 7.2 Remedies on Default. Whenever any event of default referred to in Section 7.1 hereof shall have happened and be continuing, the Bank shall have the right, at its sole option without any further demand or notice to take one or any combination of the following remedial steps:

(a) take possession of the Financed Property by virtue of the Bank's ownership interest as lessor of the Financed Property, and take possession of the Existing Property by virtue of the Bank's leasehold interest in the Existing Property under Section 3.1(a) and, at the Bank's discretion, sublease the Existing Property to another entity for a term not to exceed the Scheduled Term plus an additional term as provided in Section 3.2, hereof. The Bank shall have the right to retain all rental proceeds in the event of such sublease of the Existing Property.

(b) hold the Lessee liable for the difference between (i) the rents and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term, as appropriate, and (ii) the rent paid by a lessee of the Leased Property pursuant to such lease; and

(c) take whatever action at law or in equity may appear necessary or desirable to enforce its right hereunder.

Notwithstanding the foregoing, the Bank's interest in the Existing Property is a leasehold interest only and, therefore, the Bank shall have no right to sell or foreclose upon the Existing Property hereunder, if any.

SECTION 7.3 No Remedy Exclusive. No remedy conferred herein upon or reserved to the Bank is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bank to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article or by law.

SECTION 7.4 Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Lease should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party contained herein, the defaulting party agrees that it will pay on demand to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

SECTION 7.5 Waiver of Certain Damages. With respect to all of the remedies provided for in this Article VII, the Lessee hereby waives any damages occasioned by the Bank's repossession of the Financed Property upon an event of default.

ARTICLE VIII

PREPAYMENT OF LEASE PAYMENTS IN PART

SECTION 8.1 Extraordinary Prepayment From Net Proceeds. To the extent, if any, required pursuant to Section 4.1 the Lessee shall be obligated to purchase the Financed Property by prepaying the Lease Payments in whole or in part on any date, from and to the extent of any Net Proceeds or other moneys pursuant to Article IV hereof. The Lessee and the Bank hereby agree that in the case of such prepayment of the Lease Payments in part, such Net Proceeds or other moneys shall be credited toward the Lessee's obligations hereunder pro rata among Lease Payments so that following prepayment, the remaining annual Lease Payments will be proportional to the initial annual Lease Payments.

SECTION 8.2 Option to Purchase Leased Property. Subject to the terms and conditions of this Section, the Bank hereby grants an option to the Lessee to purchase all or a portion of the Leased Property by paying on any date a price equal to the portion of the outstanding principal component of the Lease Payments that is allocable to such portion of the Leased Property that is being so purchased, without premium, plus the accrued interest component of such portion of the Lease Payments to such payment date. To exercise this option, the Lessee must deliver to the Bank written notice specifying the date on which the Leased Property is to be purchased (the "Closing Date"), which notice must be delivered to the Bank at least thirty (30) days prior to the Closing Date specified therein. The Lessee may purchase the Leased Property pursuant to the option granted in this Section only if the Lessee has made all Lease Payments when due (or has remedied any defaults in the payment of Lease Payments, in accordance with the provisions of this Lease) and all other warranties, representations, covenants, and obligations of the Lessee under this Lease have been satisfied (or all breaches thereof have been waived by the Bank in writing).

Upon the expiration of the Scheduled Term of this Lease and provided that all conditions of the immediately preceding paragraph have been satisfied (except those pertaining to notice), the Lessee shall be deemed to have purchased the Leased Property (without the need for payment of additional moneys) and shall be vested with all rights and title to the Leased Property.

ARTICLE IX

MISCELLANEOUS

SECTION 9.1 Notices. Unless otherwise specifically provided herein, all notices shall be in writing addressed to the respective party as set forth below (or to such other address as the party to whom such notice is intended shall have previously designated by written notice to the serving party), and may be personally served, telecopied, or sent by overnight courier service or United States mail:

If to Bank:

Zions First National Bank
Public Financial Services
One South Main Street, 17th Floor
Salt Lake City, Utah 84133
Attention: Mark Tsuyuki

If to the Lessee:

North Summit Fire Protection District
86 E. Center Street; PO Box 187
Coalville, UT 84017
Attention: Mark Robertson

Such notices shall be deemed to have been given: (a) if delivered in person, when delivered; (b) if delivered by telecopy, on the date of transmission if transmitted by 4:00 p.m. (Salt Lake City time) on a Business Day or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, two

Business Days after delivery to such courier properly addressed; or (d) if by United States mail, four Business Days after depositing in the United States mail, postage prepaid and properly addressed.

SECTION 9.2 System of Registration. The Lessee shall be the Registrar for this Lease and the rights to payments hereunder. The Bank shall be the initial Registered Owner of rights to receive payments hereunder. If the Bank transfers its rights to receive payments hereunder, the Registrar shall note on this Lease the name and address of the transferee.

SECTION 9.3 Instruments of Further Assurance. To the extent, if any, that the Bank's interest in the Financed Property as Lessor under this Lease is deemed to be a security interest in the Financed Property, then the Lessee shall be deemed to have granted, and in such event the Lessee does hereby grant, a security interest in the Financed Property to the Bank, which security interest includes proceeds, and this Lease shall constitute a security agreement under applicable law. Concurrently with the execution of this Lease, the Lessee has executed, delivered, and filed and/or recorded all financing statements, UCC forms, mortgages, deeds of trust, notices, filings, and/or other instruments, in form required for filing and/or recording thereof, as are required under applicable law to fully perfect such security interest of the Bank in the Financed Property (collectively, "Security Documents"). Attached hereto as Exhibit E are copies of all such Security Documents. The Lessee will do, execute, acknowledge, deliver and record, or cause to be done, executed, acknowledged, delivered and recorded, such additional acts, notices, filings and instruments as the Bank may require in its sole discretion to evidence, reflect and perfect the title, ownership, leasehold interest, security interest and/or other interest of the Bank in and to any part or all of the Financed Property, promptly upon the request of the Bank.

SECTION 9.4 Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Bank and the Lessee and their respective successors and assigns.

SECTION 9.5 Amendments. This Lease may be amended or modified only upon the written agreement of both the Bank and the Lessee.

SECTION 9.6 Section Headings. Section headings are for reference only, and shall not be used to interpret this Lease.

SECTION 9.7 Severability. In the event any provision of this Lease shall be held invalid or unenforceable by a court of competent jurisdiction, to the extent permitted by law, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 9.8 Entire Agreement. This Lease and the attached Exhibits constitute the entire agreement between the Bank and the Lessee and supersedes any prior agreement between the Bank and the Lessee with respect to the Leased Property, except as is set forth in an Addendum, if any, which is made a part of this Lease and which is signed by both the Bank and the Lessee.

SECTION 9.9 Execution in Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.10 Arbitration. To the extent permitted by law, any dispute, controversy or claim arising out of or based upon the terms of this Lease or the transactions contemplated hereby shall be settled exclusively and finally by binding arbitration. Upon written demand for arbitration by any party hereto, the parties to the dispute shall confer and attempt in good faith to agree upon one arbitrator. If the parties have not agreed upon an arbitrator within thirty (30) days after receipt of such written demand, each party to the dispute shall appoint one arbitrator and those two arbitrators shall agree upon a third

arbitrator. Any arbitrator or arbitrators appointed as provided in this section shall be selected from panels maintained by, and the binding arbitration shall be conducted in accordance with the commercial arbitration rules of, the American Arbitration Association (or any successor organization), and such arbitration shall be binding upon the parties. The arbitrator or arbitrators shall have no power to add or detract from the agreements of the parties and may not make any ruling or award that does not conform to the terms and conditions of this Lease. The arbitrator or arbitrators shall have no authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Judgment upon an arbitration award may be entered in any court having jurisdiction. The prevailing party in the arbitration proceedings shall be awarded reasonable attorney fees and expert witness costs and expenses.

SECTION 9.11 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Bank has caused this Lease to be executed in its name by its duly authorized officer, and the Lessee has caused this Lease to be executed in its name by its duly authorized officer, as of the date first above written.

ZIONS FIRST NATIONAL BANK, as Lessor

By: _____
Authorized Officer

NORTH SUMMIT FIRE PROTECTION DISTRICT, as Lessee

By: _____

Title

STATE OF)
COUNTY OF)

On _____ before me, _____, Notary Public, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary _____ (Seal)

STATE OF)
COUNTY OF)

On _____ before me, _____, Notary Public, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary _____ (Seal)

EXHIBIT A

FIXED RATE

LEASE PAYMENT DEBT SERVICE SCHEDULE*

1. Interest. Interest components payable on the principal amount outstanding have been computed at the rate of 2.860 percent (2.86 %) per annum calculated based on actual number of days elapsed during a 360 day year.

2. Payment Dates and Amounts.

Payment Date Principal Component Interest Component Total Lease Payment

[SEE ATTACHED PAYMENT SCHEDULE]

North Summit Fire District, Utah

\$95,617 Real Property Lease

Dated: March 22, 2012

Table of Contents

Report

Debt Service Schedule	1
Sources & Uses	2

North Summit Fire District, Utah

\$95,617 Real Property Lease

Dated: March 22, 2012

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/22/2012	-	-	-	-	-
03/22/2013	18,060.38	2.860%	2,734.65	20,795.03	20,795.03
03/22/2014	18,576.90	2.860%	2,218.12	20,795.02	20,795.02
03/22/2015	19,108.20	2.860%	1,686.82	20,795.02	20,795.02
03/22/2016	19,654.70	2.860%	1,140.33	20,795.03	20,795.03
03/22/2017	20,216.82	2.860%	578.20	20,795.02	20,795.02
Total	\$95,617.00	-	\$8,358.12	\$103,975.12	-

Yield Statistics

Bond Year Dollars	\$292.24
Average Life	3.056 Years
Average Coupon	2.8600028%

Net Interest Cost (NIC)	2.8600028%
True Interest Cost (TIC)	2.8600010%
Bond Yield for Arbitrage Purposes	2.8600028%
All Inclusive Cost (AIC)	3.2284814%

IRS Form 8038

Net Interest Cost	2.8600028%
Weighted Average Maturity	3.056 Years

North Summit Fire District, Utah

\$95,617 Real Property Lease

Dated: March 22, 2012

Sources & Uses

Dated 03/22/2012 | Delivered 03/22/2012

Sources Of Funds

Par Amount of Lease \$95,617.00

Total Sources **\$95,617.00**

Uses Of Funds

Deposit to Equipment Lease Purchase Fund 94,617.00

Set-up Fee 1,000.00

Total Uses **\$95,617.00**

EXHIBIT B

DESCRIPTION OF THE EXISTING PROPERTY, IF ANY

Coalville Fire Station located at 86 East Center, Coalville, UT 84017, described as follows:

[INSERT LEGAL DESCRIPTION HERE]

DESCRIPTION OF THE FINANCED PROPERTY

Remodel Entryway/Facade to the Station

DESCRIPTION OF THE LEASED PROPERTY

The "Leased Property" shall consist of the "Existing Property," if any, and the "Financed Property" described above.

EXHIBIT C

RESOLUTION OF GOVERNING BODY

A resolution approving the form of the Lease/Purchase Agreement with Zions First National Bank, Salt Lake City, Utah and authorizing the execution and delivery thereof.

Whereas, The Board of Directors (the "Governing Body") of North Summit Fire Protection District (the "Lessee") has determined that the leasing of the property described in the Lease/Purchase Agreement (the "Lease/Purchase Agreement") presented at this meeting is for a valid public purpose and is essential to the operations of the Lessee; and

Whereas, the Governing Body has reviewed the form of the Lease/Purchase Agreement and has found the terms and conditions thereof acceptable to the Lessee; and

Whereas, either there are no legal bidding requirements under applicable law to arrange for the leasing of such property under the Lease/Purchase Agreement, or the Governing Body has taken the steps necessary to comply with the same with respect to the Lease/Purchase Agreement.

Be it resolved by the Governing Body of North Summit Fire Protection District as follows:

SECTION 1. The terms of said Lease/Purchase Agreement are in the best interests of the Lessee for the leasing of the property described therein.

SECTION 2. The appropriate officers and officials of the Lessee are hereby authorized and directed to execute and deliver the Lease/Purchase Agreement in substantially the form presented to this meeting and any related documents and certificates necessary to the consummation of the transactions contemplated by the Lease/Purchase Agreement for and on behalf of the Lessee. The officers and officials of the Lessee may make such changes to the Lease/Purchase Agreement and related documents and certificates as such officers and officials deem necessary or desirable, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 3. The officers and officials of the Governing Body and the Lessee are hereby authorized and directed to fulfill all obligations under the terms of the Lease/Purchase Agreement.

Adopted and approved this _____ day of _____, 2012.

By _____

Print Name _____

Title _____

Attest:

By _____

Print Name _____

Title _____

STATE OF UTAH

)

) ss.

COUNTY OF SUMMIT

)

I, _____ hereby certify that I am the duly qualified and acting
_____ of North Summit Fire Protection District (the "Lessee").
(Title)

I further certify that the above and foregoing instrument constitutes a true and correct copy of the minutes of a regular meeting of the governing body including a Resolution adopted at said meeting held on March 8, 2012, as said minutes and Resolution are officially of record in my possession, and that a copy of said Resolution was deposited in my office on _____, 2012.

In witness whereof, I have hereunto set my hand on behalf of the Lessee this _____ day of _____, _____.

By _____

Print Name _____

Title _____

EXHIBIT E

SECURITY DOCUMENTS

A copy of the foregoing Lease/Purchase Agreement to which this Exhibit E is attached shall be recorded at the office of the Recorder for the County in which the Existing Property referenced therein is located.

**Information Return for Small Tax-Exempt
Governmental Bond Issues, Leases, and Installment Sales**
▶ Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Part I Reporting Authority		Check box if Amended Return <input type="checkbox"/>
1 Issuer's name North Summit Fire Protection District	2 Issuer's employer identification number 87 0560689	
3 Number and street (or P.O. box if mail is not delivered to street address) 86 East Center Street; P. O. Box 187	Room/suite	
4 City, town, or post office, state, and ZIP code Coalville, Utah 84017	5 Report number (For IRS Use Only) 5	
6 Name and title of officer or legal representative whom the IRS may call for more information Mark Robertson - Treasurer	7 Telephone number of officer or legal representative (435) 336-2221	

Part II Description of Obligations Check one: a single issue <input checked="" type="checkbox"/> or a consolidated return <input type="checkbox"/>	
8a Issue price of obligation(s) (see instructions)	8a
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶ 03 / 22 / 2012	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a
b For leases for office equipment	9b
c For leases for real property	9c 95,617 00
d For leases for other (see instructions)	9d
e For bank loans for vehicles	9e
f For bank loans for office equipment	9f
g For bank loans for real property	9g
h For bank loans for other (see instructions)	9h
i Used to refund prior issue(s)	9i
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j
k Other	9k
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ▶ <input checked="" type="checkbox"/>	
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ▶ <input type="checkbox"/>	
12 Vendor's or bank's name: Zions First National Bank	
13 Vendor's or bank's employer identification number: 87 0189025	

Sign Here	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.			
	Issuer's authorized representative _____ Date _____	Mark Robertson - Treasurer Type or print name and title		
Paid Preparer's Use Only	Preparer's signature ▶ _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN _____
	Firm's name (or yours if self-employed), address, and ZIP code ▶ _____	EIN _____	Phone no. () _____	

General Instructions
Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form
Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File
Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.
Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.
An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that

an election was made to pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).
Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.
Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File
To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.
To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.
Late filing. An issuer may be granted an extension of time to file Form 8038-GC under Section 3 of Rev.

Proc. 2002-48, 2002-2 C.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under Section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* below.

Where To File
File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Other Forms That May Be Required
For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

Form 8038-GC Receipt Acknowledgement
If you wish to request an acknowledgement receipt of this return by the IRS you must provide the following:

Coalville Firestation

Permit \$1000.00

Mobilization \$2200.00

Site Security Fence \$1000.00

Site Toilet \$250.00

West Wall

Removal of overhead doors & re-install \$2500.00

Demolition of west wall & haul away debris \$5000.00

Steel for wall & headers \$6500.00

Framing Labor \$2500.00

Steel vertical siding/24 gauge & trim & installation \$3500.00

Insulate wall \$500.00

Sheetrock wall \$1500.00

Re-work electrical \$900.00

Paint wall & trim interior \$1000.00

Flashing & raingutter & downspouts/west wall & east side building \$5500.00

2X6 mounting frame doors \$1000.00

Clean up & misc finish up \$1000.00

Crack in center partition \$350.00

Dumpster for site \$350.00

Insulation & ceiling panels

Insulate bays & dropped ceiling over 2nd floor R-38 \$17,000.00

Re-work suspended ceiling \$1500.00

Concrete North Side of Building

Remove & haul away concrete & saturated soil \$3500.00 (1500 sq ft)

New grading material & compaction \$1000.00

4" new concrete 15'X100' 4000 psi w/micro fiber mesh material & labor
\$4300.00

Contingency 4% \$2560.00

Total Cost of Repairs \$66,410.00

Contractor Profit & Overhead 10% \$6641.00

TOTAL Estimate \$73,051.00

Option Concrete West Side of Building

Remove & haulaway concrete & saturated soil \$2500.00

New grading material & compaction \$1000.00

6" New concrete 85'X10' & 5'X20' (950 sq ft) 4000 w/micro fiber mesh
material & labor \$3500.00

Total of Option \$7000.00

Contractor Profit & Overhead 10% \$700.00

TOTAL of Option Estimate \$7700.00

Prep & re-paint block on Exterior of Building \$4795.00

Heat Tape (220 amp) Roof, Eve, Gutter & Downspouts \$3757.00

Remove & Replace Ceiling Tiles (Upper & Lower Level) \$3554.00

Bond Job \$500.00

Contractor Profit & Overhead 10% \$1260.00

TOTAL of requested bids \$13,866.00

Bid is based upon details provided by David May Architecture & McNeil Group Inc.
Any changes to description provided by Coalville Fire Dept. will result in adjusted costs.

Estimated completion 3 weeks from start date

**GOVERNING ORDINANCE OF THE
ECHO SEWER SPECIAL SERVICE DISTRICT**

ORDINANCE NO. ____

PREAMBLE

WHEREAS, the Echo Sewer Special Service District (the “District”) was enacted on April 18, 2012 by Ordinance #_____; and,

WHEREAS, this ordinance puts in place the governing structure of the District;

NOW, THEREFORE, the County Council of the County of Summit, State of Utah, ordains as follows:

Section 1. **Governance.** The District shall be governed in accordance with Exhibit A herein.

Section 2. **Effective Date.** In order to preserve the peace, health, or safety of the County and the inhabitants thereof, this Ordinance shall take effect immediately upon publication in a newspaper published in and having general circulation in the County.

Enacted this ____ day of _____, 2012.

ATTEST:

Summit County Council

Kent Jones
Summit County Clerk

David Ure, Chair

Approved as to Form
David L. Thomas
Chief Civil Deputy

VOTING OF COUNTY COUNCIL:

Councilmember Elliott	_____
Councilmember Robinson	_____
Councilmember Ure	_____
Councilmember Hanrahan	_____
Councilmember McMullin	_____

EXHIBIT A

Chapter 41

ECHO SEWER SPECIAL SERVICE DISTRICT

2-41-1: PURPOSE:

2-41-2: DEFINITIONS:

2-41-3: ESTABLISHED:

2-41-4: AUTHORITY AND DUTIES:

2-41-5: POLICIES, PROCEDURES, REGULATIONS:

2-41-6: COMPOSITION:

2-41-7: TRANSACTING BUSINESS:

2-41-8: BUDGET:

2-41-9: BYLAWS; MEETINGS:

2-41-10: INDEMNIFICATION:

2-41-11: INSURANCE:

2-41-12: GOVERNING AUTHORITY:

2-41-1 PURPOSE:

To provide for the public health, safety, and general welfare of the residents living within the jurisdictional boundaries of the Echo Sewer Special Service District, the district is authorized to provide sewage waste disposal services through facilities or systems acquired or constructed for that purpose.

2-41-2: DEFINITIONS:

BOARD: The Echo Sewer Special Service District Administrative Control Board.

COUNTY: Summit County, Utah.

COUNTY COUNCIL: The legislative body of Summit County.

DISTRICT: The Echo Sewer Special Service District.

GOVERNING BOARD: The Summit County Council, otherwise referred to as the "county council".

OWNERS: The owners of property within the boundaries of the Echo Sewer Special Service District.

2-41-3: ESTABLISHED:

There is hereby established an administrative control board known as the "Echo Sewer Special Service District Administrative Control Board", which shall be a board whose members are appointed by the county council. The county council hereby retains the authority to remove any or all board members with or without cause at the unfettered discretion of the council.

2-41-4: AUTHORITY AND DUTIES:

The board shall exercise all powers and duties enumerated in Utah Code Annotated section 17D-1-103, with the following exceptions which are expressly reserved pursuant to Utah Code Annotated section 17D-1-301(4)(a) by the county council as the governing board:

- A. The exercise of eminent domain;

- B. The power to employ one or more officers, employees, or agents, and establish their compensation, including fringe benefits, and manage a human resources or personnel system separate from the county;
- C. The power to borrow money and incur indebtedness, including the issuance of bonds;
- D. The power to annex areas into the district;
- E. The power to levy a tax or assessment;
- F. The power to appoint a board of equalization;
- G. The power to adopt bylaws; and
- H. The power to acquire or dispose of an interest in real property, including water and water rights, whether by purchase, lease, gift, devise, bequest, or otherwise, and whether the property is located inside or outside the special service district, and own, hold, improve, use, finance or otherwise deal in and with the property or property rights.

2-41-5: POLICIES, PROCEDURES, REGULATIONS:

- A. The board may adopt policies and procedures, and regulations, including procurement and fiscal management procedures, for the district. All collections, investments, disbursements, procurements, and other financial transactions will be managed by the board. The district may utilize the services of the county treasurer and auditor to assist in financial matters.
- B. Pursuant to state statute, the district may utilize the services of the county attorney on a contract basis.

2-41-6: COMPOSITION:

- A. The board will be comprised of no more than seven (7) persons and no fewer than five (5) persons who must be electors of the district, as that term is defined in state law.
- B. The members of the board shall be appointed by the county council. Compensation of the board members shall be set, from time to time, by resolution of the council. Each board member may serve a maximum of three (3) terms.
- C. The term of office for each board member shall be four (4) years with the first officers serving staggered terms of two (2) or four (4) years. In the event a member is unable to complete a term on the board, the council shall appoint an elector of the district to complete the unexpired term.
- D. The board shall elect a chair and vice chair.

2-41-7: TRANSACTING BUSINESS:

For purposes of advising the county council and transacting the business of the district, the board may meet and confer, adopt recommendations and convey them to the council verbally or in writing, make decisions regarding district matters, or it may meet with the council or any of its members to discuss

service development and delivery proposals. The board may establish committees for the purpose of investigating preferred or potential methods of service development and delivery.

2-41-8: BUDGET:

The board shall prepare an annual budget for the Echo Sewer Special Service District which will conform to the uniform fiscal procedures act for special districts, and approve it. The budget shall demonstrate all proposed expenditures and the fees to be established and collected as revenue to the district's budget.

2-41-9: BYLAWS; MEETINGS:

- A. The board shall conduct its business according to the bylaws adopted by the county council, with board meetings as needed to act on the business of the district. The bylaws may be amended from time to time by the council.
- B. The chair of the board shall have the power and authority to convene meetings in accordance with the Utah open and public meetings act and conduct such business as is necessary to fulfill the duties of the board.

2-41-10: INDEMNIFICATION:

- A. The Echo Sewer Special Service District shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil or criminal, administrative or investigative, by reason of the fact that he or she is or was a director, officer, employee, or agent of the district. The indemnification shall be for all expenses (including attorney fees), judgments, fines, and amount paid in settlement, actually and reasonably incurred by him or her in connection with the action, suit, or proceeding, including any appeal of the action, suit or proceeding, if he or she acted in good faith or in a manner he or she reasonably believed to be in or not opposed to the best interests of the district, and with respect to any criminal action or proceeding, if he or she had no reasonable cause to believe the conduct was unlawful.
- B. Determination of any action, suit, or proceeding by judgment, order, settlement, conviction or on a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the party did not meet the applicable standard of conduct. Indemnification under this section may be paid by the district in advance of the final disposition of any action, suit, or proceeding, on a preliminary determination that the director, officer, employee, or agent met the application standard of conduct and on receipt of an undertaking by or on behalf of a director, officer, employee, or agent to repay the amount, unless it is ultimately determined that he or she is entitled to be indemnified by the district as authorized in this section.
- C. The district shall also indemnify any director, officer, employee, or agent who has been successful on the merits or otherwise, in defense of any action, suit, or proceeding, or in defense of any claim, issue, or matter in the action, suit, or proceeding, against all expenses, including attorney fees, actually and reasonably incurred, without the necessity of an independent determination that a director, officer, employee, or agent met any appropriate standard of conduct.

- D. The indemnification provided for in this section shall continue as to any person who has ceased to be the general manager, a director, officer, employee, or agent, and shall inure to the benefit of the heirs, executors, and administrators of that person.

2-41-11: INSURANCE:

The district shall have power to purchase and maintain insurance on behalf of any person who is a director, officer, employee, or agent of the district against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the district would have authority to indemnify him or her against the liability under the provisions of this chapter, or under law.

2-41-12: GOVERNING AUTHORITY:

- A. The county council, as the governing authority of the district, has control and supervisory authority over all activities of the district and may delegate such further powers and authority as provided by statute.
- B. The district shall make an annual presentation to the county council of its goals, budget and activities.

Kent Jones
County Clerk

www.summitcounty.org/clerk
kentjones@summitcounty.org



Phone: (435) 336-3203
FAX: (435) 336-3030
60 North Main
Coalville, UT 84017

June 5, 2012, for Council meeting dated June 13, 2012

Council,

This is formal notice from Henefer Town that an annexation request has been accepted by them. As per state code, they notify us prior to taking action to determine if the County wants to protest. If no protest is intended, no action is to be taken by the Council.

Notice only.

This has been reviewed by Planning and Sean Lewis will be available if there are any questions.

Thanks, Kent

A handwritten signature in black ink, appearing to be "Kent Jones", written over the typed name.



RECEIVED
MAY 15 2012
SUMMIT COUNTY
CLERK

201 S. Main Street, Suite 1100
Salt Lake City, Utah 84111
main 801.328.3131
fa. 801.578.6999
www.stoel.com

March 7, 2012

BENTLEY R. PEAY
Direct (801) 578-6973
brpeay@stoel.com

BY HAND DELIVERY

Bob Richins
150 W Center Street
PO Box 112
Henefer, UT 84033

Re: Petition for Annexation

Dear Mr. Richins:

On behalf of Navee D. Moore, this letter is to confirm her request for annexation of the property described in the attached Annexation Map. Please let me know what, if any, additional information you require and how we can assist further in this process.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Bentley R. Peay".

Bentley R. Peay

